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The Rules of the Game: The Dominant Ideas and Beliefs that Guide North American Professional Sport Leagues

by

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The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research for acceptance, a thesis entitled THE RULES OF THE GAME: THE DOMINANT IDEAS AND BELIEFS THAT GUIDE NORTH AMERICAN PROFESSIONAL SPORT LEAGUES submitted by LAURA LYNNE COUSENS in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

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Abstract

The organizational field encompassing North American professional sport organizations changed dramatically over the last quarter century. While this transformation has been discussed in the popular press and among spectators of sport, an exploration of the various factors that contributed to its evolution, and the emergence of the contemporary beliefs of the league and franchise leaders, had yet to be undertaken. Given this, the purpose of this dissertation was to investigate the shifts in the dominant ideas and beliefs of the leaders of North American professional sport leagues and franchises.

The first part of this investigation consisted of a comparative analysis of the field at two intervals in time, 1970 and 1997. The dimensions considered in the framework of this analysis included: the actors, their exchange processes, their beliefs and logics of action, and their governance structures. This study revealed shifts in each of these four dimensions. The factors contributing to this transformation were identified and discussed.

The second part of the study consisted of a detailed "event history" of the evolution of this field. Primary and secondary data provided insight into the emergence of a new set of actors into the field and shifts in its structure, its exchange processes, and its contemporary logic. It was found that trigger events initiated from within and beyond the boundaries of the field served as catalysts for change, and that no dimension was immune from the effects of the changes that transpired in this field.

In the third part of this dissertation, the focus was on the shift in the beliefs and logics of action. Two temporal eras, the *Era of League Dominance* and the *Era of Corporate Dominance* were uncovered. These eras were differentiated by the actors that held influence, by the use of selected logics of action, and the use of certain types of governance mechanisms. The sources of new ideas into the field were identified as were the factors that contributed to the erosion of the institutional logic prevalent in the first era. The reasons the previously held ideas were supplanted by a contemporary logic were identified and discussed.

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CHAPTER 1

Introduction

The need for organizations to fit with the demands of their environment has frequently been documented by organizational theorists (Pfeffer & Salancik, 1978; Porter, 1980; Child, 1972). However, given the turbulent nature of the environment in which they are embedded, this challenge has become increasingly difficult for those organizations that make up North America's major league professional sport. The pronounced changes in the context in which the National Hockey League (NHL), the National Basketball Association (NBA), the National Football League (NFL), and Major League Baseball (MLB) reside has, over the last decade, been highlighted in the popular press. For example, shifts in owner-player relationships and escalating player salaries have been cited as a fundamental change in the industry. Financial World magazine noted that players' salaries increased by 53 percent between 1991 and 1993 alone (Ozanian & Taub, 1995). The growth of cable broadcasting networks as well as the sport-related strategies employed by these firms to penetrate local markets have also been widely discussed (Laderman, 1993; Karlin, 1993; Klatell & Marcus, 1988). Furthermore, the construction of new facilities by local governments and franchises in each of the four major leagues, with 44 new buildings under construction or in the development stages in 1997, are also indicative of the changes in this industry (Robinson, 1997). Shifts in the types of relationships that bind professional sport organizations to broadcasters, corporate sponsors and merchandising companies have also been highlighted by the media as evidence of the industry's transformation (Grimm & Lefton, 1993).

These changes have necessitated the use of new strategies by the leagues and their member franchises to address the shifting competitive environment of their organizations. Industry-wide trends in the areas of marketing, broadcasting, and domestic and international expansion exemplify the contemporary initiatives enacted by the leagues and franchises to enhance their competitive positions. For example, the leagues' recent participation in international sporting events, such as the Olympic Games, represent strategies to promote their games and athletes in North America and abroad (Cone, 1989; Lefton, 1993). The franchises have diversified their businesses to encompasses broadcasting, and facility and event management (Moore, 1982; Bamford, 1982; Economist Staff, 1996; Morris, 1992; Robinson, 1997). Professional sport organizations have also sought more proximal linkages with key bargaining partners and created innovative means to leverage these relationships (Grimm & Lefton, 1993).

While evidence of the shifts in the environment and the competitive strategies of major league professional sport organizations is widely available in the print and broadcast media and a plethora of recent books pertaining to professional sport, little research has been undertaken to enhance our understanding of the multi-faceted nature of the changes that have occurred and are occurring in the organizational field encompassing these organizations, and the ideas and beliefs underpinning the strategies enacted by the leagues and franchises to fit with their evolving competitive environment. Specifically, a historical comparative analysis of the concomitant shifts in the key actors, their exchange processes, and governance structures of this organizational field has yet to be undertaken. Furthermore, little is known about the collective beliefs of the league and franchise leaders, and the shifts that have occurred in these beliefs over an extended period of time.

In order to explore the changes in the environment of professional sport organizations and the beliefs underpinning the shifts in the leagues' and franchises' business strategies, a review of the contemporary work of cognitive, strategy and neo-institutional theorists was undertaken (Etzioni, 1988; Huff, 1982; Spender, 1989; Scott, Mendel & Pollack, forthcoming). Within these sub-disciplines, there has been developing interest in how sets of populations of organizations develop similar responses to their contexts (Huff, 1982; Porac, Thomas & Baden-Fuller, 1989; Scott, et al., 1996). That is, the focus is less upon how an individual organization adapts to its circumstances, but how collectivities of organizations do so. The emerging body of research investigating the collective beliefs of actors within the same industry, sector, or organizational field has highlighted the importance of a dominant logic in shaping and constraining the world view of individual actors (Abrahamson & Fombrun, 1984; Hellgren & Melin, 1992; Porac et al., 1989; Scott, et al., 1996).

An early discovery regarding the role of collective beliefs was made by Huff (1982) who, curious about the uniformity in the strategic actions of firms within the same industry, investigated the presence of a *mutually constructed world view* among industrial actors in the same sector. To make sense of their environment, Huff (1982) contended that organizational actors look to the repertoire of possible strategic ideas that exist within their sector or industry. From this repertoire firms 'borrow experience'. Over time, an overarching, mutually constructed world view emerges among strategic groups of firms who offer the same products and services to the same target market. This world view then shapes the strategies chosen by these industrial actors. Similarly, Prahalad and Bettis (1986) described the existence of a *dominant general management logic* which represents a world view of a particular industry. They argued (1986, p. 490) that a general management logic evolves within an industry that "provides a repertoire of tools that top managers use to identify, define and make strategic decisions." This logic represents the cumulative frame of shared ideas and beliefs of individuals that are reinforced when perceived as being right with respect to a particular type of business.

Spender (1989) also suggested that, over time, the leaders of organizations in the same industry adopt similar competitive strategies. This emerging set of shared strategic responses is what Spender (1989) referred to as the *industry recipe*, a particular knowledge-base that leaders may consider when making strategic choices for their particular firm. From his perspective, the manager is viewed as a decision maker whose views of reality, judgments and values are integrated with those of individuals in other organizations. Ongoing interactions among firms enables managers to reach agreements regarding joint experiences and, over time, a shared reality emerges. Spender (1989, p. 187) described the process as one where, faced with an uncertain environment, managers "cast around for judgment" by looking to others operating in the same context. From this process emanates a pattern of judgments, or recipe, that enables leaders to draw support from managers in other organizations while taking into account their firm's competitive circumstances. In doing this, organizational leaders are continually introducing and casting-off new and old ingredients of the recipe (Spender, 1989). Spender (1989) also contended that this recipe, a gestalt-like frame of overarching and interrelated strategic concepts, dominates industries at particular points in time.

Hellgren and Melin (1992) have labeled the ideational or cognitive structure of an organizational field the *industrial wisdom*. This frame of collective beliefs arises through an ongoing process where the ideas, opinions and interpretations of actors within the same competitive environment are shared. Emerging from this exchange of ideas is an industry-specific world view that regulates firm behavior. The regulative nature of the ideational framework functions by shaping actors' perceptions of how to behave in a field and their views of the possible strategic alternatives that are usable within a particular context (Hellgren, Melin & Pettersson, 1993). Changes in the industrial wisdom of a field may arise, according to Hellgren and Melin (1992), from sources both within and outside of the field as new thoughts, actions and interpretations are embraced by established firms or introduced by external actors. The resulting innovations may break with existing beliefs structures and, in doing so, produce a new collectively shared wisdom. Finally, while the industrial wisdom may shape and regulate the behavior of actors, it is not the sole determinant of the strategic actions of a firm. An individual leader's strategic way-of-thinking and the organization's corporate culture also shape and constrain a firm's strategic initiatives (Hellgren & Melin, 1992).

Porac, Thomas and Baden-Fuller (1989) argued that *mental models* are employed by decision-makers to interpret the task environment of their organization. Here, the transaction network of the focal organization, its buyers, suppliers and competitors, facilitate the emergence of a socially-shared belief structure that shapes and constrains firm behavior by influencing key strategists. Markets, then, are viewed as socially constructed networks that contain clique-like subgroups that monitor each other's behavior (Porac, Thomas, Wilson, Paton & Kanfer, 1995). In this view, a shared definition of competitive rivalry within a market acts to stabilize its structure and establish the rules of the game that guide each firm's actions. Actors are seen to establish rivalries among firms within particular cognitive categories that are based upon organizational attributes that predict the firm's activities. In their examination of the Scottish knitwear industry, Porac et al. (1995) identified six industry mental models that differentiated firms by attributes such as size, location, production methods, and product styles.

In sum, several theorists from within strategic management have explored the existence of a shared framework of ideas and beliefs among actors residing within the same competitive circumstance. The emergence of a collective world view among actors has been portrayed as an unfettered process where managers share ideas and willingly adopt the strategies of others in their environment. Over time, a common framework emerges resulting in the similarity of strategies among actors. While different terms have been employed to describe the emergence of a shared logic among industry actors, the notion that managers' reference groups or transactional partners are a source of information and ideas sharing remains consistent.

Institutional theorists have also recognized the importance of actors' shared meaning systems and have embraced a cognitive dimension as an element of the new institutionalism (Scott, 1994). The stability of any group activity, according to Smircich (1983, p. 55), "depends upon the existence of common modes of interpretation and shared understanding of experience." Zucker (1983, p. 5) suggested that "institutionalization operates to produce common understandings about what is appropriate and, fundamentally, meaningful behavior." Shared beliefs systems establish, in a rule-like fashion, the means to pursue, the value of and the rewards for particular organizational activities (Scott, 1987). Ranson, Hinings and Greenwood (1980) also maintained that cognitive frameworks structure interaction and mediate the routines of organizational life. Accordingly, understanding strategic change in organizations involves an investigation of the ideas, values and beliefs, the "interpretive scheme", that underpin a firm's structures and systems (Hinings & Greenwood, 1988, p. 12). To achieve this, Hinings and Greenwood (1988) looked to the notion of archetypes. In their view strategic organizational design change involves a dynamic process wherein a firm's composition of ideas, beliefs and values, connected to structures and systems, are recast into a new set of structures and systems underpinned by a different set of ideas and values.

Yet, while institutional theorists have suggested that actors' cognitions serve as an inertial force within organizations (Fligstein, 1991), institutional practices may erode in some circumstances. Oliver (1992, p. 564) asserted that previously legitimated or taken-for-granted assumptions and actions discontinue when organizations fail to "accept what was once a shared understanding of legitimate organizational conduct or by a discontinuity in the willingness or ability of organizations to take for granted and continually re-create an institutionalized organizational activity." During the process of deinstitutionalization the dominant ideas and beliefs of actors within an industry may shift as pressures from within organizations and from their competitive and institutional environment, change. Additionally, the implementation of strategies perceived as being successful by some actors in a field may generate mimetic activity among other organizations (DiMaggio & Powell, 1983). In this vein, changes in an organizational field may be viewed as an ongoing process wherein shifts in the dominant beliefs of organizational actors are supplanted as innovative practices emerge. While a variety of terms have been used to describe the existence of a dominant world view among actors within the same industry or field, little is known about how this dominant logic changes over time and how and why a prevailing logic erodes and is supplanted by a new set of ideas. *From where, for example, do the new ideas and beliefs that supplant the previously-held dominant logic of a an industry or field emerge?* In the case of North American professional sport leagues, the media have provided numerous examples of the innovative strategies enacted by the leagues and franchises in recent years. These strategies represent the manifestations of the leaders' beliefs and suggest that the collective world view of actors has evolved. Yet, our understanding of the source of new ideas and beliefs in this particular field, and the factors that contributed to the evolution of the collective beliefs of actors is limited.

The Organizational Field

Understanding shifts in the world views of actors necessitates investigating changes in the beliefs of actors embedded in the same institutional context (Scott et al., forthcoming; DiMaggio & Powell, 1991). The organizational field has been suggested as the appropriate level of analysis to investigate cognitive shifts among collectivities of actors given the importance of non-local environments that subtly influence actors by creating the lenses through which they view the world (DiMaggio & Powell, 1991). The notion of the organizational field differs from that of an industry, according to DiMaggio (1991), by granting particular attention to government agencies that reside outside the boundaries of an industry. By including the role of government in shaping or constraining the products, markets, and types of linkages among firms in a field, an exploration of the influence of varying governance mechanisms upon the actors in a field is facilitated (Scott et al., forthcoming). Furthermore, the boundaries of a field are based upon the perceptions of participants and thus facilitates investigations of how organizations select examples for emulation, where they focus their information-gathering activities, with which organizations they equate themselves, and where they recruit personnel (DiMaggio, 1991).

This is of particular importance given that the literature reviewed above emphasized the significance of the evolution of a dominant logic for the social group in which a population of organizations are embedded. Porac et al. (1989) stressed the role of the social and transactional network of organizational actors in the shaping of their ideas and beliefs, and, consequently, their strategic choices. The organizational field is represented by those organizations that "constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products" (DiMaggio & Powell, 1983, p. 143). It is this set of transaction partners which constitute the historical, cultural and social framework in which organizations are embedded and, as such, are major sources of market information. Furthermore, the transactional network serves to reinforce and maintain the dominant way-of-thinking characteristic of the organizational field (Porac et al., 1989). Cognitive theorists concur, with Hellgren and Melin (1992) stating that the appropriate boundaries to explore the industrial wisdom are institutional in nature given their social, political and historical patterns of authority, trust and loyalty. Thus, the organizational field in which professional sport leagues and franchises are embedded represents the context in which the collective beliefs of actors evolve over time. Yet, while the shifts in this organizational field will be an central focus of this investigation, little is known about the dynamics of change at this level of analysis.

Gaps in the Research

Longitudinal studies designed to explore the dynamics of change in a dominant logic, and its subsequent impact on the enacted strategies of organizations, are scarce. Oliver (1992) has called for empirical studies, that are longitudinal in their design, to examine the impact of the antecedents of deinstitutionalization upon a firm's strategic actions. She suggested that studies examining the institutionalization of organizational activities under conditions of declining performance, intense competition, or increasing pressures for the efficient use of resources are needed to enhance our understanding of the destabilization of institutional practices. Oliver (1992) also suggested that political and economic considerations that impact the environment in which organizations are embedded be incorporated into future research to enhance our understanding of the conditions within which institutional activities are most likely to persist or erode.

Studies at the organizational field level of analysis are also needed. Scott (1995) expressed concern that while the organizational field is of significance to institutional theory, it is the level of analysis with which we are least familiar. While the notion of archetypes has provided a framework for understanding the dynamics of change in the patterns of ideas, beliefs, structures and systems at the organizational level of analysis (Hinings & Greenwood, 1988), there is no equivalent tool for understanding change at the field, or industry level of analysis. Furthermore, studies that examine institutions as cognitive forms at the organizational field level of analysis are underrepresented in the research conducted by institutional theorists (Scott, 1995).

Given this, an empirical investigation that identifies the dominant logic of a field and then examines the factors that contribute to the erosion of the institutionalized ideas and beliefs of organizational actors is needed. Such an investigation must examine both (a) the *source* of new ideas within the field; and, (b) the factors that influenced their adoption by major and minor actors. In doing this, our understanding of the role of the dominant logic in the process of field- or industry-level change will be enhanced. Consequently, the purpose of this dissertation is twofold. First, we will define the variables that constitute the institutional logic and structural characteristic of the organizational field, and then use this framework to identify the historical and contemporary logic and structure of a field. Second, the dynamic process that involved the erosion of the previously held dominant ideas and beliefs of actors in this field and the emergence of a new institutional logic will be investigated. This investigation will be presented in three inter-related yet separate papers.

The focus of Paper One is a comparative investigation of one organizational field at two intervals in time, 1970 and 1997. The purpose of this paper is to demonstrate that change has taken place within this field and discuss the reasons underpinning this evolution. Paper Two, by extension, is an event history of the process of change in this organizational field and a discussion of the interplay among the four dimensions of fields (communities of actors, exchange processes, beliefs and logics of action, governance structures) identified by Scott et al. (forthcoming). Finally, Paper Three explores the dynamics of how and why the institutional logic of an organizational field changed over time. This investigation considers the factors that contributed to the erosion of the dominant logic of an organizational field encompassing the leagues, and the source and emergence of the ideas and beliefs that supplanted the previously held institutionalized logics of action.

The research site selected for investigation is North America's four major professional sport leagues: the NHL, the NBA, the NFL, and MLB. These leagues have been embedded in North American sport and business cultures since the late 1800s and early 1900s (Hall, Slack, Smith & Whitson, 1991), yet they appear to have undergone their most significant changes during the last 25 years. The actors residing in this organizational field, the dominant logics of action of the leaders of the leagues, their relationships with key bargaining partners, and their internal governance systems have shifted over the past decades. These changes parallel dramatic shifts in the technical and institutional environments in which the leagues are embedded.

This turbulent environment provides an opportunity to explore the dynamics of change at the organizational field level of analysis. The field encompassing North American professional sport leagues has experienced an apparent shift in the dominant ideas and beliefs that shape and constrain the strategic decisions of actors. This ideational change, however, has not occurred in isolation. On the contrary, the communities of actors that reside in this field, the patterns of relationships that bind these actors to key bargaining partners, and the governance mechanisms employed by actors to coordinate market interactions have also changed. Thus, understanding shifts in the dominant logic of this field requires an approach that encompasses a broader framework for analysis. To achieve this, the theoretical framework for exploring the dynamics of change in organizational fields, and the factors influencing the beliefs of actors in the field encompassing North American professional sport leagues and franchises, will now be presented.

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CHAPTER 2
Paper I
An Investigation of Field-Level Change: The Case of North American Major League Professional Sport

The changes in the environment encompassing North American professional sport organizations have been widely discussed in sport and business publications over the last decade. For instance, the emergence of a plethora of cable broadcasting networks in the 1970s and 1980s and the dawn of satellite technology were highlighted by Klatell and Marcus (1988) in their book Sports For Sale. These authors documented the rise of cable broadcasting and satellite technology and the effect of these changes upon professional sport organizations. The role of sport and major games as vehicles to market corporate products in domestic and global arenas were also discussed in publications such as The Lords of the Rings (Simson & Jennings, 1992). Additionally, Business Week magazine covered the shifts in entertainment industry, which was seen to include sport, citing the emergence of North America's "entertainment economy" as a driving force behind technological developments such as digital capabilities and interactive television (Gleckman, Lewyn, & Armstrong, 1995, p. 35). The consolidation of media businesses, such as the purchase of Capital Cities/ABC by the Walt Disney Company, were also discussed as elements of the shifting entertainment economy having an impact on sport organizations given that media companies also absorbed sport franchises (Gleckman et al., 1995). This amalgamation was the focus of Landler, Grover, Zeigler, and Hawkins' (1993, p. 112) article that noted the surge of "a bewildering web of alliances with computer and television companies" as 348 alliances were forged among multimedia companies in 1993. Given this, by the 1990s professional sport leagues and franchises were embedded within a climate espousing mergers, vertical and horizontal integration and proximal exchange relationships among firms.

Amid this turbulent climate, North American professional sport leagues and franchises enacted strategies that enabled their organizations to fit with the demands of their environment. For example, the leagues and franchises introduced innovative marketing strategies (Swift, 1994), and began to construct new sport venues equipped with corporate entertainment facilities (Swift, 1991). Furthermore, new forms of relationships between owners and players (Ozanian & Taub, 1995), and franchises and their key bargaining partners (Grimm & Lefton, 1993), emerged in the 1980s and 1990s. Professional sport leagues and franchises also initiated efforts to penetrate new domestic and international markets (Starr, 1995). Articles in the popular press have provided insight into the type and magnitude of changes affecting the National Hockey League (NHL), the National Basketball Association (NBA), the National Football League (NFL) and Major League

Baseball (MLB) and their key buyers and suppliers, and generated curiosity regarding the underlying factors contributing to these shifts.

It appears that North American professional sport organizations developed creative means to adapt to their changing environment. The leagues' and franchises' response to shifts in their proximal environment demonstrated a distinct movement away from traditional ways of viewing their firms and their competitive situation. In the 1980s and 1990s, these organizations adopted new strategies in the areas of labor relations, broadcasting, marketing, league parity and growth that differ markedly from those employed by them in the early 1970s. It appears that the beliefs of league and franchise leaders have undergone a dramatic change over the last quarter century in concert with the changing context in which these firms are embedded.

To enhance our understanding of the transformation of this industry and the beliefs of actors encompassed within it, a holistic approach that examines the various dimensions of the environment in which they are embedded is warranted. The multifaceted nature of the change in the key producers, buyers and suppliers in their environment, their exchange relationships, their ideas and beliefs and governance structures of this collection of actors, necessitates an inclusive investigative approach. The neo-institutional perspective is recognized as a basis to enhance our understanding of these contextual factors that contribute to or limit adaptation by organizations embedded in the same environment (Greenwood & Hinings, 1996). As such, this perspective, one that emphasizes the importance of the organizational field level of analysis and the cognitive dimension of fields (DiMaggio & Powell, 1991) holds promise as a tool to enhance our understanding of the shifts in the environment and the changing beliefs of the leaders of North American major league professional sport organizations.

Earlier contributions to institutional theory emphasized the stability of organizational arrangements and the quality of inertia rather than change (Tolbert & Zucker, 1983). In the old institutionalism, theorists suggested that the organizational field was where "organizational actors making rational decisions construct around themselves an environment that constrains their ability to change in later years" (DiMaggio and Powell, 1983, p. 148). In highly structured organizational fields isomorphic processes, such as coercive, mimetic and normative forces, emerge and lead firms to become more similar to one another (DiMaggio & Powell, 1983). Given this, the view of change within this perspective was one of constant reproduction and reinforcement of existing modes of thought and organization, and thus may be described as convergent change (Greenwood & Hinings, 1996).

By extension, contemporary theorists suggested that not all organizational fields, and the constraining and enabling forces within them, are the same. This more recent conception of institutional environments may provide insight into the factors contributing to change in the field encompassing North American professional sport leagues. Scott (1995), for example, posited that fields evolve over time and, as such, vary in their maturity. He described the evolution of fields as a life cycle involving a process of emergence, persistence and dissolution. This process is where the mutual understanding and awareness of actors that they are involved in a common enterprise are enhanced (DiMaggio & Powell, 1983). As time elapses, the shared expectations of social actors became institutionalized in the routines, normative expectations and cognitive awareness of the referent group in which they are embedded (DiMaggio & Powell, 1983). Furthermore, in mature fields the importance of technical performance requirements give way in favor of salient institutional pressures (Tolbert & Zucker, 1983). Fields are considered mature when these process create a stable form in which the forces for consolidating are more prominent than those tending to pull it apart (Suddaby, Reay, Hinings & Greenwood, 1997, working paper). The structure of the institutional context has also been associated with the likelihood for change. The degree of system coupling and extent of boundary permeability of a field may limit or facilitate change at this level of analysis. Abrahamson and Fombrun (1994) found that actors embedded in a dense network of exchange relationships exhibit greater homogeneity, while Child and Smith (1987) found that some fields vary in their accessibility and thus differ in their susceptibility to the transfer of ideas from different industries.

Given the emphasis neo-institutional theorists (DiMaggio, 1991; Scott, 1995) have placed on organizational fields, and the possibility for change within them, it is not surprising that researchers have begun to reconceptualize our traditional notions of this level of analysis. Scott, Mendel and Pollack (forthcoming), for example, suggested that fields are comprised of multiple types of actors, their exchange processes, their beliefs and logics of action and governance structures. This contemporary conception of fields holds promise for this investigation of the field encompassing professional sport leagues and franchises given that change is evident in various aspects of the environment of these organizations. Thinking of fields in this way also facilitates an approach to research that focuses attention upon the co-evolution of firms, the erosion of boundaries between organizations and communities of actors, and the creation of new types of organizations or interorganizational relationships (Scott et al., forthcoming). Shifts in the governance structure over time and the degree of structuration of the field are also to be considered (Scott, Mendel & Pollack, forthcoming). This view of the organizational field moves beyond simply considering "those organizations that constitute the recognized area of institutional life" (DiMaggio & Powell, 1983, p. 143) of a focal community of actors, to providing a multi-dimensional framework that enables researchers to integrate many levels of analysis to empirically examine the process of change over time. Conceptualizing fields in this way enables us to consider the multi-faceted nature of the changes that have transpired in the field in which professional sport leagues are embedded. The leagues and franchises and their key bargaining partners, the types of exchanges linking firms, the beliefs of actors and the governance structures become central elements in the evolution of this field and, as such, hold promise to understanding change at this level of analysis.

Theorists have suggested a series of indicators of the evolution of organizational fields (DiMaggio & Powell, 1983; Scott, 1994). DiMaggio and Powell (1983) proposed four indicators that included: 1) increased interactions between organizations in the field, 2) the emergence of sharply defined structures of domination or patterns of coalitions, 3) an increase in the information load with which organizations contend, and 4) a heightened mutual awareness among participants within the field that they are involved in a common enterprise. Scott (1994) proposed three additional signs of change that included: 5) increasing agreement on the institutional logics guiding activities within the field, 6) increasing isomorphism of structural forms within communities in the field, and 7) increasing clarity of field boundaries. These indicators of the evolution of fields are related to the various dimensions of organizational fields identified by Scott et al. (forthcoming). Evidence of changes in the ideational, or cognitive, dimensions of fields may be found when the heightened awareness of actors arise, when the boundaries of the field are clarified among members, and when a dominant, agreed upon logic emerges. Indicators of the evolution of the structure and exchange processes of fields may be evidenced through the increased interaction among firms and isomorphism among structural forms in the field. Interestingly, an indicator related to shifts in the governance mechanisms of fields has not been suggested by these theorists, although the increased interaction among actors may provide evidence of shifts in the market-level exchange processes among actors.

Notwithstanding the established tenants of institutional theory and evidence of inertial forces within the dimensions of organizational fields, neo-institutional theorists (Suddaby, Reay, Hinings, & Greenwood, 1997, working paper; Fligstein, 1991; Scott, 1994; Scott et al., forthcoming; DiMaggio, 1991) have begun to use this perspective to understand change at varying levels of analysis including the level of the organizational field. Contemporary theorists have suggested that variations in institutional environments may influence the salience of isomorphic processes in organizational fields and, in turn, affect the likelihood of radical organizational change. Institutional environments are themselves the result of the process of structuration. The structures that govern behaviors of actors and their conduct in turn govern the creation and maintenance of structures (Giddens, 1979). Accordingly, organizational fields, and the isomorphic forces that shape and constrain the ideas and beliefs of actors that reside within them, may be differentiated based upon their maturity (Tolbert & Zucker, 1983), the structure of their institutional context (Hinings & Greenwood, 1988a; Kikulis, Slack & Hinings, 1995; Tolbert, 1985), their mechanisms for dissemination (Hinings & Greenwood, 1988a; Kikulis, Slack & Hinings, 1995), and their permeability or degree of insulation from other fields (Child & Smith, 1987). It is these variations in the institutional context of communities of actors, and our growing awareness of their effect upon the structures and beliefs of actors, that have given rise to research investigating the possibility for transformations in organizational fields. These variances among fields, and other differences that have yet to be uncovered, may provide valuable insight into the changes that have occurred in the field encompassing professional sport leagues in the North American context.

Consequently, the purpose of this paper is to demonstrate that change does take place in organizational fields, specifically the organizational field encompassing North American major league professional sport organizations that existed during and subsequent to 1970. This community of actors, together with those organizations that represented their recognized area of institutional life have been subject to forces for change from both within and beyond the boundaries of their field. To establish that change has taken place in various dimensions of this organizational field, Scott et al.'s (forthcoming) framework was particularly useful. Given this, the next section of this paper outlines the constructs of organizational fields identified by these theorists and illustrates how this framework can help to demonstrate multi-dimensional change at this level of analysis. The succeeding section details the ways in which the data for this study, a cross-sectional analysis at two intervals in time of the four dimensions of one field, were collected and analyzed. Next, the results of this investigation of the change in this organizational field are presented and discussed. The final section of this paper highlights the fundamental areas of transformation in this field and provides some concluding remarks to this research.

Conceptual Framework

In order to demonstrate that fundamental change has occurred in one organizational field, we look to the work of Scott et al. (forthcoming) whose framework for examining change at this level of analysis facilitates a multi-dimensional approach. These theorists conceived of change in organizational fields as a dynamic process involving concomitant shifts in the actors and their patterns of relations, their logics of action and governance structures. According to Scott et al. (forthcoming), an examination of shifts in the boundaries between organizations or communities of actors, the emergence of new types of firms, the creation of new types of linkages among organizations, and the co-evolution of populations will contribute to our understanding of field-level change. Also to be considered are shifts in the dominant logics of action of a field and its governance mechanisms given their role in shaping the transaction arrangements among actors (Lindberg, Campbell, & Hollingsworth, 1991). This framework enables us to examine a community of organizations linked by shared meaning and governance systems and patterns of exchange relationships.

The importance of identifying the *communities of actors* that establish, maintain and transform the rules of the game that structure a particular field has been emphasized by DiMaggio (1988). Actors in a field, be they individuals or organizations, and the pattern of relations that encompass them, are carriers and indicators of the dominant logic of a field and its governance structures (Scott et al., forthcoming). Furthermore, it is through the direct and meaningful interaction and increased communication among and between actors that structures of domination or coalitions emerge, and a heightened awareness that firms are in a common enterprise arise (DiMaggio & Powell, 1983). According to DiMaggio and Powell (1983), the actors within organizational fields are: the buyers, the suppliers, the competitors and the state agencies that are linked to or associated with the focal organizations. The types of actors in a field may also include professional associations (Scott et al., forthcoming). It is the occurrence of interacting sets of actors, and the relationships of power and dependence that arise among them, the constitute the structure of an organizational field (Scott et al., forthcoming).

Knowing the types of communities of actors that reside in a field is only the initial step to understanding its structure. Equally important is the second construct of organizational fields that considers the emerging patterns of *exchange processes* among organizations. Exchange processes are uncovered through an "event history" that outlines the patterns of interaction among firms, that is the type and number of linkages binding them together. The exchange processes that link actors embedded in a network to one another serve as mechanisms for the dissemination of information, and reaffirm patterns of interdependence among them that are based upon previously established structures of cooperation and competition (Abrahamson & Fombrun, 1994). The degree of system coupling and the multiplexity of ties have been highlighted as important elements when determining the structure of a network of actors and their exchange processes (Stern, 1979; Abrahamson & Fombrun, 1994; Scott et al., forthcoming; Oliver, 1990, DiMaggio & Powell; 1983).

The *degree of system coupling* refers to the "nature of connectedness between actors in a network" (Stern, 1979, p. 245). In a tightly coupled network, for example, events in one part of the systems are felt by actors in other sections of the network. In contrast, loosely coupled systems offer a degree of stability to actors as they are not subject to conditions affecting localized areas of the network (Weick, 1976). Tight coupling in a network may result from interorganizational arrangements such as corporate-financial interlocks. According to Oliver (1990, p. 257) corporate arrangements such as interlocking boards of directors have the potential to become "cohesive, hegemonic, mutually enforcing, and highly integrated industrial group." The importance of considering the degree of system coupling, or density, of a field has been emphasized by Abrahamson and Fombrun (1994) who suggested tightly coupled fields exhibit heightened levels of cooperative and competitive interdependencies among actors that stabilize and perpetuate the dominant ideas and beliefs of actors.

The *multiplexity of ties* within a network refers to the type and number of linkages that bind industrial actors and the amount of resources transacted between them (Stern, 1979). Strong ties are described as stable relations that involve significant resources and serve multiple purposes (Stern, 1979). These enduring relationships act as a stabilizing force within networks (Granovetter, 1992). Weak ties, by comparison, are more easily severed and offer a degree of mobility and latitude that enable firms to choose their own competitive strategies (Astley, 1984). Faulkner (1995) described an ascending hierarchy of network ties which showed increasing levels of integration between, for example a loose cooperative linkage, and stronger relationships such as strategic alliances or joint ventures. The patterns of linkages binding actors to one another have also been associated with the homogeneity of dominant beliefs with a network of actors (Abrahamson & Fombrun, 1994) and, as such, warrant considering in this investigation of an organizational fields.

The third construct identified by Scott et al. (forthcoming) was the cognitive dimension of organizational fields that focused our attention on the dominant *beliefs and logics of action* of a field of actors embedded in the same competitive environment. The importance of the beliefs and logics or action that underpin strategic decision-making in a field cannot be understated. The institutional logic underpins each actors' determination of the nature of the business they are in, who their competitors are, and what scripts they must use to compete within a particular context (Scott, 1995). The goals, criteria of effectiveness and skills required to carry out a firm's activities are also part and parcel of the institutional logic shared by actors within an organizational field (Scott, 1995). The competitive milieu of the industry, that which depicts the level of antagonistic or cooperative behavior among actors, also represents a key element when seeking to explain field-level interorganizational dynamics and the dominant logic of a collectivity of actors (Spender, 1989; Hellgren & Melin, 1992; Etzioni, 1988).

The beliefs logics of action of a field also specify for its members the templates of organizing appropriate for a given competitive context (Greenwood & Hinings, 1996). These templates are underpinned, according to Hinings and Greenwood (1988), by an interpretive scheme that represents the ideas and beliefs of organizational members. These ideas and beliefs act as assumptions that shape and give logic to organizational structures and systems. Interpretive schemes are considered in relation to three principal and constraining frames of activity that include 1) the domain of operations, 2) the principles of organizing, and 3) the criteria of effectiveness used within the firm to assess organizational performance (Hinings & Greenwood, 1988).

The final construct identified by Scott et al. (forthcoming) was the *governance mechanisms* that represent the "institutionalized systems of power and control that actors design to reproduce exchange relations so as to help them obtain systematically greater access to resources and information than others" (Lindberg et al., 1991, p. 11). The governance of organizational fields may involve a variety of mechanism including top-down, state driven policies and rules or bottom-up process directed by actors in the field (Scott, 1995). The state's regulative activities, such as sector-specific economic policies or broad social policies, influence fields by sustaining the actions of members or generating shocks that incite field-wide shifts. Self-regulation mechanisms also exist in organizational fields as actors select new sets of governance mechanisms to address organizational problems, or choose new strategies for coping with environmental pressures (Lindberg et al., 1991).

Examinations of governance structures by institutional theorists have considered the role of the state and the impact government policies have on industrial development (Barnett & Carroll, 1993), the role of the self-enforcing mechanisms of the market, and firm level governance structures (Campbell & Lindberg, 1990). Firms are viewed as subject to governance mechanisms directed by the technical demands of the market and by the demands and expectations of their institutional environment. These coexisting environments represent the context in which firms strive for rewards based upon their ability to be efficient and effective as well as their capacity to be seen as legitimate (Meyer & Rowan, 1977). The demands placed upon organizations by their technical and institutional environments regulate firm behavior by shaping and constraining their choices and, consequently, their actions.

In sum, organizational fields are a composition of dominant communities of actors and their exchange processes, an institutionalized set of beliefs and logics of action, and technical and institutional governance mechanisms. Organizational fields have been described as the context in which actors are constrained by regulative, normative and cognitive forces (Scott, 1994), and where organizations acquire social acceptability and endorsement as a consequence of conformity to the norms and expectations of their institutional environment (Meyer & Rowan, 1977; DiMaggio & Powell, 1983). Despite the constraints imposed upon organizational actors in each of the dimensions of fields highlighted by Scott et al. (forthcoming), transformations at this level of analysis do occur in some circumstances (Fligstein, 1991; Leblebici, Salancik, Copay & King, 1991; DiMaggio, 1991; Oliver, 1991, 1992). Accordingly, this framework holds promise for this investigation of the change in the organizational field encompassing North American professional sport leagues and franchises. Prior to our demonstration of change in each of the four dimensions of the organizational field in which the professional sport leagues and franchises are embedded, a presentation of our methodological approach to this investigation will be provided.

Methods

In order to demonstrate that change has taken place in the organizational field encompassing North American professional sport leagues, a comparison was made of cross-sectional data pertaining to each of the four dimensions of the field that were collected at two intervals in time: 1970 and 1997. Both quantitative and qualitative data were gathered and analyzed for this study. Quantitative data regarding the communities of actors in this field and its structure were assembled from secondary sources, while qualitative data pertaining to the exchange processes, beliefs and logics of action and governance mechanisms were collected from primary sources. The following is an overview of the selection of the research site, the time intervals under review, the operational measures chosen for this study and the rationales for their use, and the procedures employed to collect and analyze the data for this research.

Selection of Research Site. The research site chosen was the organizational field encompassing North American major league professional sport organizations together with their key suppliers, buyers, and regulatory agencies (see Appendix A). Accordingly, the focal organizations for this study were the NHL, the NBA, the NFL and MLB. This organizational field was chosen for a number of reasons related to the changes that occurred in each of the dimensions of this field during the 27 year span of this investigation (see Appendix A). In particular, evidence of the changes in the enacted strategies of the leagues and franchises indicate a fundamental shift in the beliefs of the leaders of these organizations. Accordingly, this organizational field represents fruitful ground for an investigation of the nature of the changes in the cognitions of this collection of actors, and the factors contributing to this evolution. Furthermore, while the shifts in this field have been widely discussed in the popular press, an empirical analysis of the changes in the context and world views characteristic of this community of actors has yet to be undertaken.

Time Period Under Review. The two snapshots in time selected for this investigation were 1970 and 1997. The year 1970 represents an interval in the history of this field that extends before the occurrence of major trigger events that resulted in field-level changes. The early 1970s represents, for example, a time before the deregulation of cable television, before the onset of free agency by the players, and before the leagues merged or absorbed rival leagues. This was also a time preceding the creation of the leagues' properties divisions and the wide-spread adoption of corporate marketing practices among actors in the field (Gorman & Calhoun, 1994). The second interval selected, 1997, was chosen to provide the investigators with sufficient elapsed time to capture meaningful differences in this organizational field. In keeping with the advice of Pettigrew (1987), the 27 year time differential of this study was of a sufficient temporal scope to allow the change in this organizational field to reveal itself.

Operational Measures. In order to compare the dimensions of this organizational field at two intervals in time, the constructs identified by Scott et al. (forthcoming) were operationalized and a series of measurable indicators of these constructs were selected (see Appendix A). The first construct identified by Scott et al. (forthcoming) was the multiple types of *communities of actors* residing in fields. Developing appropriate measures of this construct involved identifying the focal actors of this investigation and their competitors, buyers, and suppliers of services. Given that the focal actors were the professional sport leagues and franchises, the reseacher drew from the literature when selecting the key buyers and suppliers to be considered in this research. The major competitors of the focal leagues selected for this study were those firms identified by the league leaders as being rivals during the time period under review. Buyers were defined as those communities of individuals or firms that provided major sources of revenue to the franchises and leagues. The sale of tickets to the general public and broadcasting contracts sold to network and cable broadcasting companies were selected as these buyers are the two major sources of revenue for professional sport franchises (Kennedy & Williamson, 1978; Quirk & Fort, 1992). The major suppliers of crucial resources and/or services to the franchises and leagues selected for this study were th players' associations.

The construct considering the *exchange processes* in this field included both the degree of system coupling as well as the multiplexity of ties among actors. Measurement of the degree of system coupling evaluated shifts in the cross-ownership of franchises and the subsequent interlocking boards of governors of the leagues. The multiplexity of ties among actors were measured by assessing the shifts in the types of linkages among actors and the emergence of new types of interorganizational relationships. Data pertaining to the types and patterns of relationships among actors considered both the strength and number of linkages that bound the focal organizations, that is the four major leagues and their member franchises, to their buyers and suppliers. This data was retrieved from both the primary and secondary sources. Faulkner's (1995) ascending hierarchy of exchange relationships was used as a measure of the strength of the relationships among actors at two intervals in time, and as an indicator of shifts in the patterns of linkages between the leagues and their buyers and suppliers.

Measures of *beliefs and logics of action* in this field considered the league leaders' ideas and beliefs pertaining to their domain, principles of organizing, and criteria of effectiveness. Qualitative data in the form of the league leaders' words, in the form of speeches delivered by them and interviews published in the media, offered a poignant indication of their ideas and beliefs pertaining to the nature of their businesses, the milieu of their industry, their operating principals, and their criteria employed to evaluate the performance and effectiveness of their business operations. These words, expressed in the numerous interviews granted by these individuals throughout the time period under study, provided invaluable qualitative evidence of the beliefs and logics of action of the league leaders in 1970 and in 1997.

Operationalizing the construct of *governance mechanisms* involved investigating qualitative evidence at the state, field, and league levels of analysis. The indicators employed to review the governance by the state were the numerous court cases that challenged the leagues under the Sherman Act (see Table 2-1). Changes in field governance at this level of analysis were examined by reviewing a comprehensive index of cases involving the leagues and their key buyers and suppliers. This index was based upon the 27 court cases highlighted by Quirk and Fort (1992) and was supplemented by the major court cases identified by the league leaders as having impacted their organizations. Governance at the field level of analysis was investigated by considering the vertical integration of franchises by broadcasting companies and vice versa. This integration of sport franchises into conglomerates represented a shift from a markets to hierarchies (Thorelli, 1986; Lindberg et al., 1991) style of governance structure and, as such, was selected as our measure. Finally, aspects of the leagues' constitutions and by-laws were reviewed as a measure of firm-level governance. More specifically, a comparative analysis of secondary data pertaining to the leagues' revenue sharing and ownership policies was undertaken as a measure of the changes in the leagues' governance structures across the two time periods under study.

Data Collection. Primary and secondary sources of data were collected for this historical-comparative examination of the field encompassing North American professional sport leagues (see Appendix A). Secondary sources of data included archival materials retrieved from the four major leagues and the Halls of Fame for each of the sports encompassed within this study. Historical books, material from the National Cable Television Association, and articles and attendance data from sport and business magazines also represented valuable sources of data employed in this investigation. Primary data were retrieved from historical documents and from personal interviews conducted with current leaders of professional sport leagues and franchises. First, over 2,000 direct quotes from individuals holding leadership positions in the leagues, franchises, broadcasting companies or corporations sponsoring professional sport were gathered from the newspapers, magazines and league documents supplied by the leagues and Halls of Fame. Primary data from published sources such as these represent important evidence used by historians to discover patterns and meanings from the past (Brundage, 1997). Despite the exceptional difficulty of accessing and arranging meetings with individuals holding leadership positions in professional sport organizations, nine interviews were conducted (see Appendix A).

Data Analysis. The vast amounts of quantitative and qualitative data gathered for this investigation of change in one organizational field and, accordingly, a variety of techniques for data analysis were employed (see Appendix A). The dimension under examination, the type of data gathered, and the measurement used dictated the type of analysis employed. Importantly, while data encompassing the 27 year period extending from 1970 to 1997 were gathered, for the purposes of this dissertation only the data representing the communities of actors in the years 1970 and 1997 were used in this particular paper. Narrowly segmenting the leaders beliefs and logics of action, the shifts in exchange processes, and the governance mechanisms into two specific intervals in time proved insufficient and, as such, these dimension are represented by the broader interval in time to ensure key elements of that time period were captured.

Results

Outlined below is a comparison of this organizational field at two intervals in time (see Table 2-2). Each dimension of this organizational field is discussed to signal the changes that occurred across the two time periods under investigation.

Insert Table 2-2 about here

The Field in 1970

In 1970, the organizational field encompassing North American professional sport leagues was characterized by an unstable *cast of actors* that included a rival league and an emerging population of cable broadcasting networks. At this time, 95 franchises that existed within the cartel structure of five leagues that included: the American Basketball Association (ABA), the NBA, the NHL, the NFL, and MLB (Quirk & Fort, 1992). The key buyers of franchise products at this time were the fans and the three network broadcasting companies, namely the American Broadcasting Company (ABC), the National Broadcasting Company (NBC) and Columbia Broadcasting System (CBS) (Klatell & Marcus, 1988). In 1970 one cable network, Madison Square Garden Network, existed in the field (Klatell & Marcus, 1988).

The *field's structure* was reflective of the power held by the producers of services in the field at this time. The franchises' major source of income was revenue generated from the sale of tickets at the gate and, as such, the fans as a population of individuals in this field held a considerable amount of influence over league and franchise decision-making. While the network broadcasting companies were buyers of league and franchise products, the leagues' fears that televised sports would adversely impact attendance at games shaped the relationship between these communities of actors. Furthermore, the suppliers of services, the five players' associations that existed, also demonstrated little power when negotiating with the leagues (Harris, 1986; Helyar, 1994; Cruise & Griffiths, 1992; Quirk & Fort, 1992). During this time, the standard players' contract in each of the four leagues encompassed a reserve clause that limited player mobility and empowered the franchise owners to dictate the terms of exchange between these actors (Quirk & Fort, 1992; Noll, 1974).

The *exchange processes* that characterized the interorganizational relations among actors in this field in 1970 depicted a loosely coupled field with few strong ties among actors. The degree of system coupling in the field, that is the number of actors linked to one another, was modest. Our measure for this concept was the number of franchises in different leagues that were owned, in whole or in part, by the same individual or corporation. In 1970, 11 of the 95 professional sport franchises residing in the field existed under shared ownership. The synergy of owning more than one team in the same city or region, such as the California Seals and the Oakland Athletics, was recognized by only three owners at this time. Only one owner, Jack Kent Cooke, owned three teams simultaneously in 1970.

The multiplexity of ties that bound the producers of services to their key buyers, such as broadcasters and corporate sponsors, was minimal. The relationships among actors were characterized by exchanges that were brief in duration, were not linked to the strategic initiatives of either actor, and demonstrated little commitment to future interactions. The exchange relationships between network broadcasting companies and the leagues, for example, were selected based upon a bidding process that neglected to consider the historical or potential future interactions between parties. According to Klatell & Marcus (1988), broadcasting companies' dependence upon the leagues for access to sport programming empowered the leagues to command high fees for access to programming rights. Interestingly, the league leaders were reluctant to increase the strength of their ties with broadcasters by providing access to the best matches or scheduling games to meet the needs of television viewers (SI Staff, 1977; Klatell & Marcus, 1988; Harris, 1986; Helyar, 1994). Fearing that fans would watch the televised broadcasts rather than purchase tickets and attend matches, the league leaders elected to keep their broadcasting buyers at arms-length (Harris, 1986; Helyar, 1994). John Zeigler, president of the NHL at the time, typifies the leagues' views towards their relationships with broadcasters during this time when he reflected that "possibly we didn't always deliver the right games. Maybe our owners didn't recognize the importance of a national TV contract. There were some who said, 'I won't do anything that would take seats or change my schedule" (SI Staff, 1977, p. 39).

Exchange relationships between the franchises and their corporate buyers in the early 1970s demonstrated little commitment between actors as they were not repetitive, and required no transaction-specific investment by either firm (Cook & Emerson, 1961; Williamson, 1975;). The sale of sponsorship properties by the franchises, such as signage at arenas or stadia, were viewed by team owners as a supplementary source of income, rather than an integral element of the franchises' success. Practices geared to strengthening relations between the clubs and sponsors, such as bundling sponsorship properties and negotiating longer-term agreements, were not enacted by clubs during this era. Given this, enduring relationships among actors that were tied to the strategies of each party were largely nonexistent at this time. Major league baseball in particular was reluctant to provide opportunities for corporate sponsors. According to Seth Abraham, MLB marketing executive in the commissioner's office at that time (Helyar, 1994, p. 336), "baseball was the most uncomfortable of all the major team sports in accepting that it was commerce. It carried the baggage of being the national pastime." As a result, Major League Baseball Promotions, the arm of MLB responsible for the sale of sponsorship properties, "had a difficult time getting owners to approve corporate sponsors. Nobody was good enough for baseball" (Helyar, 1994, p. 336).

The *beliefs and logics of action* underpinning the strategic decision-making of actors at this time were fragmented across the field with the league leaders cognizant of league- and sport-specific issues and challenges rather than those confronting the strategic group as a whole. The domain, principles of organizing and criteria of effectiveness characteristic of the leagues at this time demonstrated this lack of dominant logic among the community of actors. The year 1970 is representative of an era where the leagues' preoccupation with rival leagues and sport-specific issues, such as continued access to talented players, dominated the beliefs of their leaders. The league leaders looked to others in their sport, rather across the boundaries of different sports, when seeking solutions to issues confronting their organizations. The NHL, for example, emphasized the importance of maintaining or re-establishing relationships with international hockey bodies, particularly those involving the Russians or Czechs (Globe and Mail Staff, 1978). The owners of MLB franchises were described as a "fraternity" that preserved the tradition of baseball at the expense of introducing new ideas and innovations (Helyar, 1994).

The *domain* of the leagues was reflective of the myopic view of the world held by the leaders at this time. Their ideas and beliefs about the products, services and clientele of their leagues were reflective of their sport, rather than the industry in which they were embedded. The leaders believed, for example, that their core product was the presentation of sport-specific matches. The services provided at matches were limited to those that catered to the basic needs of spectators and included necessities such as parking and unostentatious food and drink concessions (Helyar, 1994; Cruise & Griffiths, 1992). The leaders believed that their success was dependent upon serving the needs of loyal sports fans dedicated to their particular brand of team game (Helyar, 1994; Cruise & Griffiths, 1992). The valued clientele of the producers of services at this time were, first and foremost, the fans given that revenue generated at the gate represented the primary source of income for the clubs (Kennedy & Williamson, 1978). While network broadcasting companies represented important buyers of league and franchise products, the producers of services resisted demands by these actors for increased access to the core product (Cruise & Griffiths, 1992; Helyar, 1994; Harris, 1986).

The *principles of organizing* characteristic of this era also demonstrated variations in the beliefs and logics of action of the leaders of the five leagues. While each league maintained control over crucial decision-making areas, such as franchise movement, the introduction of new member clubs, and player talent, the variations in the ideas and beliefs of the league leaders were manifest in the structure of their cartels, in particular the centralization of power in the league head offices, and their revenue-sharing policies. The NFL leaders demonstrated an astute awareness of the importance of league parity and the competitive balance among all its franchises. Accordingly, the league's structure and revenue-sharing policies were designed to cater to the needs of each club, regardless of their revenue-generating potential. Under their "LeagueThink" (Harris, 1986, p. 13) philosophy, each NFL owner agreed to empower the league to generate revenue on their behalf, and share this income equally among member franchises. Decision making related to the sale of broadcasting rights was centralized at the level of the league with each franchise relinquishing the ability to sell local television contracts (Harris, 1986). The structure of this league, and its leaders views regarding parity and balance, differed markedly from those of the other leagues. The NHL, MBA and MLB, by comparison, viewed themselves as a confederation of independent sport business that were linked by a league head office and commissioner. Accordingly, varying amounts of decision making authority were centralized in their respective commissioners' offices (Noll, 1974; Helyar, 1994).

In 1970, the *criteria of effectiveness* employed by the leaders of each of the four leagues to evaluate their businesses were reflective of a similar world view. Given that revenue generated at the gate was the primary source of income for the franchises, attendance at matches was the criteria used by the leaders of each of the five leagues to measure the effectiveness of their organizations. According to Helyar (1994), the owners of MLB clubs had only one measure of success: the gate. Given that revenue from the gate was the primary source of income for each of the leagues at this time (see Figures 3.2 to 3.5), it is not surprising that the television was viewed as a threat (Helyar, 1994; Cruise & Griffiths, 1992; Harris, 1986; Quirk & Fort, 1992) and the fans regarded as the bedrock of the industry. While additional measures of effectiveness, such as revenue from broadcasters, were important elements in the success of the leagues, the primary criteria used to evaluate the effectiveness was attendance at sporting matches.

The coexisting logics of action among the leagues spawned different strategies in the areas of marketing, labor relations, broadcasting, growth and league parity among the leagues. Each league pursued unique avenues toward achieving its strategic objectives in these areas regardless of the success or apparent failure of their counterparts in these areas. The leagues looked to other organizations within their sport-specific domain for solutions to problems confronting their organizations. For example, the NHL considered the marketing and sponsorship initiatives of their European counterparts (interview, 1997). Similarly, the NBA and ABA mimicked each other's strategies to enhance the attractiveness of their matches and gain the attention of fans (Quirk & Fort, 1992). The substantial development system in baseball, with over 152 baseball clubs in the minor leagues

(Johnson, 1993), provided the leaders of MLB franchises with a network of comparable firms to observe and share information (Whitford, 1994).

The *governance structures* of the field in 1970 at the level of the league, the market and the state, reflected the historical and market-driven approaches to negotiating the economic interaction of actors in this organizational field. At the level of the league, the constitutions and by-laws that historically specified the nature of the relations between the leagues and their member clubs, their players' associations, and key buyers, remained intact and represented a primary mechanism that governed the interactions among the franchises in the leagues, as well as their relations with key buyers and suppliers (Euchner, 1983; Scully, 1987; Davis, 1974). The power of the leagues to oversee virtually every area of operations, such as club ownership, franchise movement, labor relations, and the sale of new franchises, enabled this body to assert its role as the primary governance mechanism within the cartel structure of organizations (Kennedy & Williamson, 1978). While the specific powers of the league commissioner, or president in the case of the NHL, varied among the leagues, the antitrust exemption held by MLB discouraged franchise owners, and the buyers and suppliers of league and franchise products, from challenging the traditional authority of this office.

Revenue sharing policies also varied among the leagues with only the NFL displaying a commitment to ensuring large- and small-market teams were provided with every opportunity to compete on an equal playing field. This league established a structure that ensured that 97 percent of all revenues were shared among its member clubs (Harris, 1986). In contrast, the leaders of MLB, viewed revenue sharing as "socialism" (Helyar, 1994, p. 557). They did, however, share a modest amount of the revenue collected at the gate by each franchise (Helyar, 1994; Vrooman, 1995). The NBA, by comparison, did not share any revenues collected at the gate (Vrooman, 1995). In this league, 67 percent of income from national broadcasting contracts were shared, while the owners retained 100 percent of the revenue generated from the sale of local television rights (Vrooman, 1995). Finally, the NHL's leaders also resisted opportunities to share revenue among member clubs (Cruise & Griffiths, 1992). In this league, according to Scully (1995) the home team retained all revenue collected from the gate. National broadcasting revenues were equally shared among the clubs in this league (P. Pocklington, personal communication, April 22, 1997).

In 1970, governance mechanisms at the level of the market, those that dictated the nature of the exchanges among actors in this field, consisted of low levels of formal interaction among organizations. Economic exchanges between leagues and broadcasters, for example, were typically short-term, arms-length relationships (Klatell & Marcus, 1988). In these linkages, the formal integration among the organizations was limited with the leagues and franchises simply selling to the highest bidder with little expectation of further interaction (Klatell & Marcus, 1988). Furthermore, individual and family ownership of professional sport franchises limited the occasions for the vertical integration of the clubs by multi-divisional corporations (Euchner, 1993).

The state-level governance structures in 1970, in particular the Sherman Antitrust Act, shaped the types of economic interactions among actors in the field. In 1970, the powers granted to the league head offices as a result of the initial 1922 supreme court ruling granting MLB immunity from antitrust challenges remained intact despite the 1957 court ruling that stated that the NFL did not share MLB's antitrust exemption. While this ruling eventually served as a catalyst for the franchise owners and their key buyers and suppliers to challenge the power of their leagues to dictate the terms of economic exchange within this organizational field, in the early 1970s these challenges were only beginning to be raised. According to Frank Horton, a member of the 1976 House Select Committee on professional sports, "Basically, all four sports enjoy an immunity - baseball because it is immune by judicial decision, and the others because the executive branch and the Justice Department have not really followed up and tried to enforce the antitrust laws" (Kennedy & Williamson, 1978, p. 36). At this time, the players efforts to challenge MLB's reserve clause through antitrust court remained unsuccessful (Quirk & Fort, 1992), and the leagues retained their authority to dictate the terms of franchise ownership, movement, and the purchase of player talent (Quirk & Fort, 1992). Furthermore, the *Sports Broadcasting Act* of 1961 empowered the leagues to pool the broadcasting rights of their franchises and sell them as a single package (Klatell & Marcus, 1988; Quirk & Fort, 1992). Given these two exemptions from antitrust legislation, the leagues held a tremendous amount of power in relation to their interactions with key buyers, such as network broadcasters and with their suppliers of talent.

The Field in 1997

In 1997 the organizational field exhibited marked differences in its cast of actors and structure. The exchange processes that linked these actors, their beliefs and logics of action that underpinned decision-making by the league and franchise leaders, as well as in the governance mechanisms that guided economic interaction among bargaining partners varied when compared to 1970. The *communities of actors* in this field remained stable while the actual number of actors in some populations increased dramatically. The producers of services in this field, the franchises, increased in number from 95 in 1970 to 118 in 1997 (Team Marketing Report, 1998). The number of leagues decreased from five to four as rival leagues were absorbed by their competitors (Quirk & Fort, 1992). The buyers of franchise products increased with the number of cable broadcasting networks climbing from one in 1970 to 164 by 1997 (NCTA). While the actual number of fans attending matches rose dramatically (see Figure 2-1), the percentage of income generated at the gate declined by 1997 (see Figures 2-2 to 2-5). The number of network broadcasting companies, by comparison, remained stable at three (Klatell & Marcus, 1988). The number of players' associations mirrored the decline in the number of leagues in the field and fell from five to four by 1997.

Insert Figures 2-1 to 2-5 about here

The shifts in the number of actors within the communities of producers, buyers and suppliers had a substantial impact upon the *structure of the organizational field*. The power of the franchises and leagues to command high rights fees for their television contracts increased given the intense competition for sport programming by both cable and network broadcasting companies. Interestingly, only the NFL elected to sell broadcasting rights at the national level (Harris, 1986), with the remaining three leagues selling television contracts at both the national and local levels (Helyar, 1994). In an effort to enhance their power within the field and ensure continued access to sport programming, cable and network broadcasters began to vertically integrate sport franchises into multi-divisional entertainment corporations (Johnson, 1997). For example, owners of cable broadcasting companies, such as Ted Turner, Disney, the Tribune Company, began to purchase sport franchises (Team Marketing Report, 1998). The power of the players' associations also increased with the onset of varying degrees of free agency in each of the four major leagues (Quirk & Fort, 1992).

The *exchange processes* among the cast of actors in this field also evolved as the degree of system coupling in the field increased and the multiplexity of ties among the producers of services and their buyers grew in strength and number. The data indicate that the number of cross-owned franchises, the measure of the degree of system coupling, expanded from 11 in 1970 to 35 by 1997. This shift in the number of franchises linked through shared ownership represented a 17 percent increase across the two time periods under investigation. The number of individuals or corporations with interests more than two franchises in different leagues also increased from one in 1970 to three in 1997. John McCaw of Orca Bay Sports and Entertainment, for example, had controlling or partial interest in clubs from the NBA, NHL and MLB (Team Marketing Report, 1998). Ted Turner increased the number of franchises under his ownership from two to three in 1997 when he purchased and NHL expansion franchise (Team Marketing Report, 1998). The third owner to sit on the board of directors of three major leagues was H. Wayne Huizenga who, by 1997, owned clubs in the NHL, NFL and MLB (Team Marketing Report, 1998). Interestingly, two of these individuals, Ted Turner and Wayne Huizenga, also had total or controlling or interests in local cable outlets TBS and SportsChannel Florida respectively (Team Marketing Report, 1998).

The *multiplexity of ties* among actors in the field demonstrated further evidence of shifts in the exchange processes among actors in this organizational field. The emergence of new practices such as the bundling of sponsorship properties enabled sport franchises and leagues to strengthen their relationships with broadcasters and corporate sponsors. By 1997, the sale of sport properties was more closely aligned to the corporate-level strategic objectives of both the producers of services and their valued partners. This shift occurred as a result of the increased value of bundled packages and the sport organizations' initiatives to increase the number and type of sport and entertainment properties available to corporate buyers (Grimm & Lefton, 1993). The leagues' and franchises' relationships with broadcasters also changed by 1997. The strength of the relationships between the leagues and broadcasters grew as revenue-sharing or joint-venture initiatives between these communities of actors enabled both to reduce uncertainty and cater to the needs of advertisers (Cousens & Slack, 1996). The relationships between the franchises and broadcasters also increased in strength as longer-term contracts were established among actors in the same geographic markets (Team Marketing Report, 1998), and cable broadcasters purchased sport franchises to ensure continued access to sport programming (Johnson, 1997).

The mid- to late-1980s represented a time when the leagues began to sell their sponsorship properties together with advertising time from their broadcasters and share the revenues generated from such initiatives (Grimm & Lefton, 1993). Relationships such as this enhanced opportunities for both partners to cater to the needs of corporate sponsors and reduced the broadcasters risks of loosing money on high-priced sporting contracts. For example, MLB entered into a joint venture with ABC and NBC to launch The Baseball Network, and the NHL's contract with Fox broadcasting involved revenue sharing. According to Daugherty (W. Daugherty, personal communication, June 3, 1997), president of NBA Properties, this type of reciprocal transaction arrangement between the leagues and broadcasters was innovative when introduced by the NBA in the 1980s but was commonplace in the field by the mid-1990s. These symbiotic relationships demonstrated the actors' awareness of the needs of both partners. The philosophy that guided partnerships relations in the NHL, for example, was articulated by Rick Dudley (Pesky, 1994, p. 30), the vice president of this league's properties division, who stated that:

> The primary strategy I have utilized in the past is that relationships are based on partnerships and it is through the nurturing of that partnership that together we can grow and prosper. This business isn't a "win-lose" proposition. It has to benefit us and the licensees. And partnerships are particularly important in the areas of sponsorship. We want to develop programs that are mutually beneficial, because it sells more of their products and services, and at the same time promotes the game. So what we try to focus on around here is that partnership.

The types of linkages binding the suppliers of services to the leagues and franchises also evolved by 1997. The emergence of innovative labor contracts, involving variations of a revenue-sharing/salary cap formula between the players' associations and the NBA, NFL and, to a lesser extent the NHL, represented a shift in the transactional relationships among these communities of actors. This shift was grounded in the 1983 labor agreement between the NBA and its players' union, the NBAPA. The landmark agreement enabled the players to receive 53 percent of the gross revenues, including those from the gate as well as national and local television fees, in exchange for a cap on labor expenses in each franchise (Swift, 1991). According to Charles Grantham, leader of the NBA players' Association, "What made it happen was that the players and management were in the gutter together. Everyone saw how necessary it was for both sides to work together to survive" (Swift, 1991, p. 82). The NFL's commissioner, Paul Tagliabue, explained the rationale of contemporary contracts such as this when he said "some system that would guarantee players a percentage of the revenue, whatever the revenue is, with a built-in salary cap so that your salaries and player costs would stay in some rough relationship to your revenue. I think that would be healthier for everybody" (George, 1991, p. B15).

The *beliefs and logics of action* characteristic of the actors in this field in 1997 reflected a cognitive shift that differentiates them from the beliefs of actors that were prevalent in 1970. Of particular interest was the convergence of the varying beliefs held among the leaders of the four leagues in the 1970s into a dominant way of viewing their competitive situation by the 1990s. This homogeneity of beliefs and logics of action among the leaders of the four leagues was evident in the strikingly similar strategies enacted by these organizations and their member franchises in the 1990s. The leagues' strategies in the areas of parity, labor relations, growth, marketing and broadcasting demonstrated a uniformity that was not evident in this field in 1970. The leaders' shared beliefs pertaining to the domain, principles of organizing and criteria of effectiveness of their organizations appeared to underpin their decision making in these key areas of their business' operations.

The shift in the leaders' views of their *domain*, from the views held by the commissioners in 1970 that they were engaged in the "baseball industry" (Johnson Spink, 1970, p. 4) or the "football industry" (Townsend, 1973, p.29), to the contemporary view that all of the leagues were part of the entertainment firmament. This shift in the world view of the leaders represented a marked difference in the way they perceived their competitors, their buyers and their products. The league leaders viewed their competitors as every other producers of entertainment products, rather than simply other sport-specific organizations. Pete Rozelle, commissioner of the NFL, encapsulated this perspective when he stated that "football is in competition with all other forms of entertainment, whether it be the other team sports, individual sports, movies, television, ballet or opera. We're all seeking the entertainment dollar." (Shattuck, 1978, p. 1). By 1997, the buyers of league and franchise products were not limited to dedicated sports fans and now included a host of corporate clients as well casual spectators of the games (Euchner, 1993). The products of the leagues and franchises also shifted in accordance with the entertainment philosophy adopted by their leaders. For example, play-off highlight videos, animated television programs for children, and interactive activities on the leagues' Internet websites were among the new products introduced by the mid-1990s (Jensen, 1995). Interestingly, the NBA also launched its own movie production studio, NBA Entertainment, that co-created movies such as "Casper", "Space Jam" and "Forget Paris" (Jensen, 1995).

In the contemporary era, the league leaders' ideas and beliefs pertaining to their *principles of organizing* also reflected an attitudinal shift by these individuals. The traditional authority of the leagues to dictate the terms of its relationships with the franchises shifted as a result of the franchises' continued challenges to the leagues' authority in antitrust court. This change was evidenced by the leagues' reduced ability to limit franchise movement, to halt the sale of players, and to dictate the terms of expansion as a result of the court rulings (Quirk & Fort, 1992). Despite the erosion of the leagues' authority in these areas, the power and influence of these bodies increased in other key elements of their operations by the mid-to late-1990s. The leagues expanded their role by introducing innovative branches of their head offices such as Team Services departments, Properties Divisions, and International Offices. These departments empowered the leagues in the areas of marketing, league management, and growth by enabling them to control the diffusion of information across franchises, by increasing their role in the generation of revenue through merchandising and national and international marketing initiatives, and by controlling relationships with key buyers such as corporate sponsors and broadcasters.

For example, the Team Services departments that were introduced into the NBA, NHL and MLB by 1997 were reflective of the leaders' contemporary beliefs that a more symbiotic way to organize their leagues was needed. As compared to the "old fashioned way of doing business that was pretty much every franchise for itself" (Swift, 1991, p. 80) the contemporary belief that dominated the leagues demonstrated the leaders' awareness of the need for mutual support across the league. According to Paula Hanson, head of NBA's Team Services department, "I was shocked when I went to my first league meeting, at how competitive and uncommunicative the teams were." Swift, 1991, p. 81). Accordingly, the Team Services department was introduced by the NBA to facilitate the diffusion of best practices among their franchises and foster cohesion among the clubs (Swift, 1991). This branch of the league head office, however, also served to standardize the delivery of products to the fans, broadcasters and corporate buyers of the franchises and enhance parity among member franchises. While the initial purpose of this department was to disseminate information among the clubs, this role expanded over the years to include hosting meetings among club executives, providing a resource library of information, producing a newsletter called "Team Talk", and assisting the teams to increase their revenue streams (P. Hanson, personal communication, June 2, 1997). By 1997, the NHL and MLB each mimicked the NBA and introduced a similar department into their organizations (B. Gamgort, personal communication, May 23, 1997).

The leagues also enhanced the role of their Properties Divisions, the marketing arms of the head-office organizations. These divisions were reorganized to consolidate product licensing activities (B. Gamgort, personal communication, May 23, 1997), to diversify into new product areas (Bittman, 1985), to penetrate international markets in Europe, Japan, South America (Bittman, 1985), and to enhance relationships with corporate sponsors by selling league-wide sponsorship packages together with television advertising (Grimm & Lefton, 1993). Launching the Team Services departments and modifying the Properties Divisions of the leagues facilitated the transfer of power from the franchises to the leagues in key strategic areas such as marketing and growth. These departments of the leagues also demonstrate the leaders' new ways of looking at how best to organize their business and divide various facets of their operations between the league head offices and their member clubs.

The *criteria of effectiveness* embraced by the league leaders shifted in accordance with their new or enhanced revenue sources and exchange relationships. The measures of success in 1997 moved beyond simply taking into account the attendance at games and revenues generated by the sale of tickets at the gate that were held paramount in 1970. The interview data suggested that the leaders of the contemporary era evaluated the success of their business operations based upon a range of criteria that included attendance at matches, television ratings, and revenue generated from the sale of television contracts and the sale of merchandise and licensed products. For example, when asked about the criteria of effectiveness employed in by his NBA franchise one senior executive (R. Lean, 1997, personal communication) highlighted a number to key areas such as:

> The profitability of the various teams. I would want to take a look at the increases or decreases in the areas of revenue to see if our licensed products sales are on the right time line. Is the value of our TV contract going up? How are the ratings? Are we reaching the audience we are trying to reach? Attendance at the various games: are we going up or down?

Furthermore, revenue generated from the sale of corporate sponsorships and the satisfaction of corporate partners with their league associations were also identified as key factors. Finally, stable labor relations, and the value of sport franchises under their umbrella organization were also included in the leaders' expanded list of criteria used to measure the success of their operations.

Together with the changes in the cast of actors in the field, their exchange processes and beliefs and logics of action, the *governance mechanisms* in this field also demonstrated variances when compared to 1970. The league-level governance mechanism evolved as a result of the continued challenges of the leagues' authority by their member franchises, players associations and rivals. The cumulative effect of the challenges raised in the 39 landmark court decisions between 1970 and 1997 was the reduction of the power of the leagues to prescribe the terms of exchange between the producers of services and their key buyers and suppliers. The leagues' ability to impose the terms of expansion, of labor relations, of franchise movement and of player mobility deteriorated as a result of the landmark rulings (Quirk & Fort, 1992). For example, the case regarding the *L.A. Memorial Coliseum Commission v. NFL* in 1979 enabled the Los Angeles Raiders to move without the consent of the NFL, while the decision in the *Kapp v. NFL* case of 1974 ruled that the player reserve systems was patently unreasonable and illegal (Quirk & Fort, 1992). This erosion of the power of the leagues limited their ability to ensure parity among their member franchises and to promote a standard quality of play by all of the teams.

The market-level governance structures also evolved between 1970 and 1997. In particular, the arms-length, short-term *market* style of exchanges that typified those of the leagues and franchise in 1970 evolved into a *hierarchical* form of governance as multi-national entertainment corporations purchased sport franchises. The number of family-owned franchises declined by 1997 when at least 52 public corporations controlled at least part of 113 franchises in all four leagues (Johnson, 1997). The vertical integration of sport franchises by corporations occurred as a result of the increased competition among network and cable broadcasters as well as the growing awareness of the synergies available through the ownership of more than one sport club together with broadcasting holdings.

Individuals such as Ted Turner of TBS, Rupert Murdoch of Fox Broadcasting, and Michael Eisner of Disney/ABC were among the plethora of corporate leaders in the field of broadcasting to purchase one or more sport franchises by 1997. These new forms of stronger, more enduring exchanges enabled the sport and media companies to reduce uncertainty, achieve economies of scale, and enhance relationships with advertisers. The obligational networks that emerged from enduring linkages such as these represented a significant deviation from the market exchanges that characterized relations between the leagues and their key buyers in 1970, and represented an increase in the degree of formal integration among actors in this field.

State-level governance mechanisms also played an active role in the transformation of this organizational field. The state played a pivotal role in shaping the terms of the exchange relationships among the producers, buyers and suppliers of services in the field through their rulings in antitrust cases involving the leagues. The cumulative result of the courts' rulings (see Table 2-1) was the erosion of the governance regimes that guided relationships among actors in this field, and the emergence of new forms of market- and league-level governance mechanisms. The court rulings that held particular importance for this field's evolution were those that enhanced the bargaining power of the suppliers of services, the players' associations, and those that limited the power of the leagues to control the exchange relations of their member franchises. For example, between 1970 and 1997 eight landmark cases involving the leagues and their respective players' associations held in favor of the unions thereby limiting the ability of the league and franchise leaders to impose the conditions of player recruitment, selection, and movement. The terms of the sport organizations' exchanges with broadcasters were also shaped by the state when anti-blackout legislation was passed in 1993 (Quirk & Fort, 1992) and when cable broadcasting was deregulated in 1977 (Klatell & Marcus, 1988). By 1997, the summative results of these rulings shifted the balance of power among the cast of actors in this field with the franchises, the players' associations and the broadcasting companies increasing their power as compared to 1970.

Discussion

Notwithstanding the research by theorists emphasizing the stability of organizational fields, and the uniformity of organizational arrangements within them, the preceding results have provided evidence of fundamental shifts in each of the four dimensions of the field encompassing North American professional sport leagues. While measurable variances in the actors in this field, their exchange processes, beliefs and logics of action and governance mechanisms were found, the factors that contributed to the transformation of this field have yet to be discussed. The evolution of fields, that is the development over time of a collection of actors from a young to a mature state (Scott, 1994), has been explored by institutional theorists. They suggested that field-level change is a developmental process that is one of mutual enactment where relations among social actors increases their awareness of one another and simultaneously constitute and is constitutive of the participants (Giddens, 1984). Over time, shared expectations arise among social actors that become institutionalized in their routines, normative expectations and cognitive processes (Scott, 1994). The institutionalized environment, according to DiMaggio & Powell (1983), shapes and constrains the organizational forms, practices and beliefs of actors as they became subject to coercive, normative and mimetic forces that result in isomorphism.

In this study, evidence of the increased interaction among the communities of actors in the contemporary organizational field was found. The emergence of a new community of actors, specifically cable broadcasting networks, upset the historical relationships among the leagues and franchises and their traditional buyers and suppliers compelling them to develop new types of more proximal transactions. The new forms of exchange processes enhanced the strength, duration and frequency of interactions among producers of services and their buyers thereby enabling both partners to achieve their strategic objectives. The joint venture relationships and revenue-sharing arrangements that characterized relations between the leagues and broadcasters, and the leagues and players' associations, in the contemporary era demonstrated increased interaction among the actors as well as their mutual awareness of the strategic opportunities and challenges confronting other actors in the field. Strong ties, suggested Krackhardt (1992), facilitate the diffusion of information among actors and enhance their capacity to adapt to environmental change and uncertainty. When asked if ideas are diffused among sport clubs in the league and between bargaining partners, those interviewed for this research stated emphatically that scanning the environment for innovations and sharing ideas is crucial to the success of their businesses. Furthermore, embeddedness in a dense network of ties advance the absorption of a set of behavioral principles from the group (Granovetter, 1992). This wide-spread absorption of commonly held behavioral norms may, in some circumstances, lead to similarities in actors' approaches to dealing with their environment (DiMaggio & Powell, 1983). This homogeneity is more likely to be found, suggested DiMaggio & Powell (1983) in organizational fields where interaction among organizations is higher.

Evidence of increased interaction among the firms in the field was also found when the degree of system coupling in the field was considered. When the cross-ownership of franchises in 1970 was compared to that of 1997, the number of actors linked to one another through franchise ownership increased by 17 percent. The number of franchises owned by the same individual or corporation, often a multi-divisional entertainment conglomerate, increased from 11 in 1970 to 35 in 1997. The number of owners sitting on the board of governors of more than one league grew from 5 in 1970 to 16 in 1997 thereby increasing the interaction among the four leagues. According to Oliver (1990), corporate or financial interlocks such as this increase the dominance and control of organizational leaders, enhance information sharing among firms, reduce uncertainty, and improve efficiency among linked actors. Additionally, Abrahamson and Fombrun (1994) suggested that the heightened interdependence among firms, in this case the franchises in the four leagues, increases the level of heterogeneity among firms by creating islands that expose managers to similar attributes. These islands also enhance social opportunities among firms and restrict top managers' attention to a limited set of symbionts or competitors. The heightened cooperative and competitive interdependence among firms, in turn, perpetuate and stabilize shared understandings of actors in the network. Thus, the cross-ownership of franchises in the field not only facilitated the diffusion of ideas among actors, these proximal ties across the leagues assisted the emergence and continuation of a dominant world view among actors.

In this organizational field, stronger ties appear to have provided a form of stability to firms within this field despite the turbulence within their environment resulting from, for example, the rise of cable networks and the onset of free agency by the players. Whether these proximal exchange processes fostered a growing awareness among the actors that they were in a common enterprise, or were the results of the actors' cognizance of their mutual dependence, these relationships both contributed to and were elements of the transformation of this organizational field. Furthermore, as stronger ties became more legitimate in the field, and practices such as bundling became institutionalized, the power of established players, such as network broadcasting companies, was eroded. Leblebici et al. (1991) suggested that new conventions have the capability to reorganize a field's pattern of transactions away from its central institutions. Thus, the emergence and institutionalization of new patterns of relationships served to alter the location of players in, for example, the field's centre or periphery, thereby upsetting the balance of power among established players and the structure of the field. This phenomena is exemplified in this organizational field by the changing power of the players' association during the time period under study.

The growing mutual awareness among the cast of actors that they were engaged in collective pursuits also supports our contention about the transformation of this organizational field. The actors' growing cognizance of their common enterprise was apparent in the new type of exchange processes, such as partnerships, strategic alliances and joint ventures, that bound the leagues and franchises to broadcasters, to corporate sponsors and to the players' associations. The emergence of revenue-sharing/salary cap contracts in the NBA, NFL and, to a lesser extent, the NHL demonstrated these actors' heightened awareness of their partners' constraints and the need for reciprocal relationships. The changes in the leaders' ideas regarding the principles of organizing of their cartels also demonstrated their heightened understanding of the need for their franchises to operate as a collective entity. The emergence of the Team Services departments to ensure that best practices were shared among member franchises and foster communication among the clubs exemplifies this shift in the logics of action of the league and franchise leaders. According to DiMaggio and Powell (1983), the increased awareness of others within the field is an indicator of its evolution. As a field becomes structured, agents continuously monitor the flow of their activities and, in turn, expect others to do likewise (Giddens, 1984). This monitoring fosters an awareness and learning of the social rules of the community of actors that are then applied in the production and reproduction of day-to-day encounters (Giddens, 1984). The structuring qualities of these rules shape actions by providing structure and meaning in social life, and serve to reproduce relations between actors or collectivities through organized regular social practices (Giddens, 1984). This growing mutual awareness, then, is also evident in the marked similarities in the league' and franchises' strategies to deal with their competitive environment.

The erosion of the coexisting logics of action prevalent in the field in 1970 also provides evidence of the evolution of this organizational field. The diverse beliefs and strategies demonstrated by the leagues in 1970s, those that grew out of the historical and sport-specific objectives of these organizations, gave way to a uniform way of viewing the world by 1997. The contemporary leaders believed, for example, that the domain of their organizations was the entertainment industry rather than sport-specific businesses as was the view of their predecessors. This fundamental shift in their beliefs in this regard fostered greater cohesion among the league leaders as they looked to each other, and to other entertainment companies, for solutions to strategic problems rather than to organizations within their sport (B. Gamgort, personal communication, May 23, 1997; P. Hanson, personal communication, June 2, 1997; W. Daugherty, personal communication, June 3, 1997). Paula Hanson (personal communication, June 2, 1997), senior vice president of the NBA stated that "we don't consider ourselves a sport league we consider ourselves an entertainment company. So we try to be aware of what is happening all over the entertainment industry." The mutual awareness among firms that they were engaged in a common enterprise arises, according to Porac et al. (1989), as a result of an ongoing input-output cycle in which subjective interpretations of the environment become objectified via behavior. The mutual dependence of actors represents an integral element of this cycle yet, in the case of professional sport leagues, the shifts in the types of actors and business rivalry in the field destabilized the traditional type of cues that were attended to and interpreted by decision-makers. The network of transaction relationships that supported the previously held ideas and beliefs of individuals changed as the emerging value chain and proximal ties among actors fostered the introduction and adoption of new ways of viewing and interpreting the world.

The emergence of new actors into the field, namely cable broadcasting companies, equipped with their own logics also contributed to the changing logics of action in the field. The broadcasters' logics of action were focused upon, according to Klatell & Marcus (1988), meeting the needs of corporate advertisers. This new logic was diffused to the sport organizations through proximal interactions among the franchises and broadcasters, and through the vertical integration of sport clubs by cable broadcasters. The franchises' traditional beliefs and practices that catered to the needs of loyal fans were invaded by logics developed in and associated with the broadcasting industry. This shift in the buyers of the leagues and franchises, from sport fans to cable networks and corporate sponsors, represented a fundamental change in the interdependence among actors in the field. According to Leblebici et al. (1991) a change such as this has the potential to redefine what resources are critical, what defines success, and what positions in the field are pivotal. In the field encompassing North American professional sport leagues and franchises, new criteria of effectiveness emerged in the field as the leaders conceptions of their domain evolved and their power in the field was enhanced.

Finally, the evolution of organizational fields is further evidenced by the emergence of structures of domination and coalitions among the actors. While the field under study might be described as a mature one during the outset of this study - it had existed for over 81 years (Hall, Slack, Smith, & Whitson, 1991) - the emergence of a new population of organizations, cable broadcasting networks, influenced its structure by shifting the power and dependence relations among its communities of actors. Despite the existence of a relatively stable set of forces holding the field together in 1970, this new community of actors upset the balance of power as the elevated number of broadcasting buyers, from four in 1970 to 167 by 1997, enabled the sport leagues and franchises to assert their monopoly power by commanding high fees for broadcasting contracts. In response, the owners of the upstart broadcasting companies entered into the field encompassing the sport organizations by vertically integrating the franchises. This event resulted in the emergence of new actors into the field and the subsequent blurring of boundaries between these two communities of actors. According to Child and Smith (1987) the degree of insulation of a field's boundaries affect the likelihood of change at this level of analysis. The permeability of boundaries in this field, and the ensuing erosion of borders between the sport organizations and broadcasters, contributed to the emergence of a set of entertainment conglomerates that dominated the field by affecting decision-making in each of the four major leagues. Thus, the defined structures of domination and patterns of coalitions in the field were destabilized and, consequently, different sets of communities of organizations, such as cable broadcasters and the players' associations, asserted their power within the reoriented organizational field.

Summary and Conclusion

The major objective of this paper was to demonstrate that the field encompassing North American professional sport organizations experienced fundamental change over a 27 year time period. Each of the four dimensions identified by Scott et al. (forthcoming) were examined to capture the shifts that occurred in its various facets. This involved identifying meaningful measures to provide evidence of changes in the communities of actors in the field, their exchange processes and beliefs and logics of action, as well as their governance mechanisms, and comparing them at two intervals of time. While the results of this study demonstrated that change did occur, insight into the structuring of this field was gained by discussing the ways this field exhibited conditions associated with the structuration process.

This research also lends support for the work of neo-institutional theorists contending that, despite the constraining processes that compel actors in the same organizational field to use standardized modes of behavior (DiMaggio & Powell, 1983; Giddens, 1979), change does occur. Institutional theorists (DiMaggio & Powell, 1983) posited that highly structured organizational fields represent environments in which isomorphic processes emerge and as a result, uniformity among organizational designs and practices results. Researchers exploring similarities in the strategies employed by firms embedded in a network also suggested that the ideas and beliefs of actors are difficult to change or adapt (Prahalad & Bettis, 1986). However, this research supports the notion that organizational fields constitute fruitful grounds for changes within organizations, and among populations of linked firms.

This study has shown that the interaction among the communities of actors in the field increased, as did the actors' awareness of their common enterprise. The degree of system coupling in the field grew tight while the multiplexity of ties among actors grew in strength, number and duration. These new patterns of relationships exhibited a new-found appreciation among the actors of their collective interdependence. Coalitions of dominant actors also emerged in the field. The owners of large-market franchises emerged as powerful actors in the field given their ability to perpetuate their dominance through the leagues' decision-making and governance structures. The beliefs and logics of action characteristic of the producers of services in this field also demonstrated change when compared in 1970 and 1997. The progress from multiple belief systems among the leaders of the leagues to a single, exclusive logic represented a fundamental shift in the ideas that underpinned decision-making by these organizations. The shift from a logic that espoused sport-specific qualities that were generated by entrepreneurs in the field, to one that stressed the entertainment aspects of sport its value to corporate and broadcasting buyers.

Finally, additional research that explores the process of change in organizational fields, and the interplay between and among their four dimensions is needed. Understanding the relationship among the dimensions of field, and the impact of shifts in one element upon the others is necessary. Furthermore, investigations of the process of evolution of the beliefs and logics of action, that is the erosion of the previously held ideas and beliefs of actors and the emergence of a new dominant way of viewing the world, hold promise for understanding change at both the league and organizational level of analysis, as well as the factors that facilitate or inhibit change. These two areas of exploration, the interdependence among the dimensions in a field and the shifting beliefs and logics of action, are the focus of the following two papers of this study. It is to Paper 2 that examines the interplay among dimensions in the organizational field encompassing North American professional sport leagues that I now turn your attention.

Table 2-1: Policy Map of Landmark Cases in the Field (1922-1997)

Federal League Baseball Club of Baltimore v. National League of Professional Baseball Clubs. Supreme Court rules that MLB is exempt from the Sherman Act (Quirk & Fort, 1992, p. 185)	**Federal Communications Act.** Creates the Federal Communications Commission (FCC) to manage the airwaves (Klatell & Marcus, 1988)	**Gardella v. Chandler.** Gardella sued MLB under Sherman Act for damages suffered when he was blacklisted by commissioner Chandler for jumping contracts to play in the Mexican League. The suit was dismissed based on the 1922 exemption. Later settled out of court (Quirk & Fort, 1992, p. 188)	**United States v. NFL** (1953). Prohibited the NFL from signing a league-wide contract with any TV network (Quirk & Fort, 1992, p. 348) **Toolson v. New York Yankees** (1953). Upheld baseball's antitrust exemption (Quirk & Fort, 1992, p. 189)	**Radovich v. NFL** (1957). Ruling that the NFL does not share baseball's exemption from antitrust (Quirk & Fort, 1992, p. 189)
1922	1934	1949	1953	1957

Table 2-1: Policy Map of Landmark Cases in the Field (Cont'd)

1961

Sports Broadcasting Act. Enables NFL to bargain with broadcasters as a single unit. (Klatell & Marcus, 1988, p. 72)

1966

State v. Milwaukee Braves, Inc. (1966). Baseball's antitrust exemption applied to state as well as Federal laws (Quirk & Fort, 1992, p. 191)

Football Merger Act. NFL & AFL given antitrust exemption to merge (Klatell & Marcus, 1988)

1972

Philadelphia World Hockey Club v. Philadelphia Hockey Club, Inc. (1972) First antitrust case involving hockey. One of seven cases involving the signing of NHL players by WHA clubs. Judge ruled that the reserve clause had never been subject to bona fide good faith collective bargaining (Quirk & Fort, 1992, p. 206)

Flood v. Kuhn Supreme Court supports MLB's 1922 exemption from antitrust law. Judge states that it must be remedied by Congress (Quirk & Fort, 1992, p. 193)

1973

Anti-Blackout Legislation. Declared that all four leagues must lift network blackouts of games (Klatell & Marcus, 1988, p. 82)

1974

Levin v. NBA. (1974)Potential owners bring antitrust suit against NBA for blackballing them as owners. Suit thrown out of court (Quirk & Fort, 1992, p. 45)

Kapp v. NFL. (1974) Judge ruled that the NFL contract and player reserve system were "patently unreasonable and illegal (Quirk & Fort, 1992, p. 198)

Table 2-1: Policy Map of Landmark Cases in the Field (Cont'd)

1975	1976	1977	1978	1979
Robertson v. NBA. (1975) NBAPA sought injunction to block the merger of the ABA and NBA. Judge ruled that the "player draft, uniform player contract, and reserve clause were analogous to devices that were per se violative of the antitrust laws". An out of court settlement was announced (Quirk & Fort, 1992, p. 205) **NHL's reserve clause** not upheld in Canadian courts in case involving Bobby Hull (Globe & mail Staff, 1975) **Laird v. United States.** Depreciation of player contracts challenged by IRS. IRS was victorious (Quirk & Fort, 1992, p. 106)	**Mackey v. NFL.** Eighth Circuit court found that the "Rozelle Rule" constitutes a violation of antitrust law (Jones & Davies, 1987, p. 724) **Messersmith v. Dodgers** Reserve clause in Major League Baseball ruled illegal by the Supreme Court (Cassing & Douglas, 1980) **Federal Copyright Act.** CRT empowered to collect royalty fee from cable operators for non-local transmissions (Klatell & Marcus, 1988, p. 82) **Combines Investigation Act** in Canada is revised. Professional sport looses its exempt status (Jones & Davies, 1978, p. 713)	**San Francisco Seals v. NHL** (1977). (See L.A. Memorial Coliseum). Franchise movement into NHL territory challenged by the league. Changes to 3/4 majority vote (Quirk & Fort, 1992, p. 300) **Deregulation of Cable** District of Columbia Circuit ruled the FCC's mandate to regulate the broadcasting industry did not extend to cable broadcasts (Horowitz, 1978)	**Charles O. Finley v. Bowie Kuhn.** First time in MLB history that a player sale was disapproved. Kuhn used "best interest of the game clause" to void the sale of 3 players. This action was upheld in court (Quirk & Fort, 1992, p. 280). **Smith v. Pro Football, Inc.** (1978) District of Columbia Circuit court found that the NFL college draft violated section 1 of the Sherman Act (Quirk & Fort, 1992, p. 200)	**McCourt v. California Sports Inc.** (1979) McCourt objected to being traded and sued under antitrust laws to have trade voided. Trade upheld based upon Mackey (player trades agreed to in arms length bargaining) (Quirk & Fort, 1992, p. 207) **L.A. Memorial Coliseum Commission v. NFL** (1979). (L.A. Raiders, under Al Davis, move without consent of league. Expansion into existing league territory rules changed. Opens door to challenge any league policy in court, and win (Quirk & Fort, 1992, p. 300)

Table 2-1: Policy Map of Landmark Cases in the Field (Cont'd)

1981

First Northwest Industries of America, Inc. v. Commissioner of Internal Revenue. (1981)IRS challenged the amount of players' contracts listed depreciable assets on Supersonics balance sheet. IRS is victorious (Quirk & Fort, 1992, p. 109)

1983

Allen H. Selig v. United States (1983). Depreciation of player contract upheld as it was not an expansion franchise (Quirk & Fort, 1992, p. 112)

1986

United States Football League v. NFL (1986) $1. in damages awarded to the USFL from the antitrust violations of the NFL (Quirk & Fort, 1992, p. 358) (the league went out of business in 1985)

McCarthy v. United States (1986). Case in which the New York Yankees' depreciation of the local and national baseball TV contract was disallowed (Quirk & Fort, 1992, p. 108)

1987

NBA v. SDC Basketball Club.(1987) (see L.A. Memorial coliseum). Franchise expansion into existing territory must be by 3/4 vote of the board (Quirk & Fort, 1992)

1988

United States District Court Judge Doty ruled in July 1988 ruled that the players had reached an impass in contract negotiations that would include more free agency (George, Sept. 11, 1992, New York Times, p. B5)

Table 2-1: Policy Map of Landmark Cases in the Field (Cont'd)

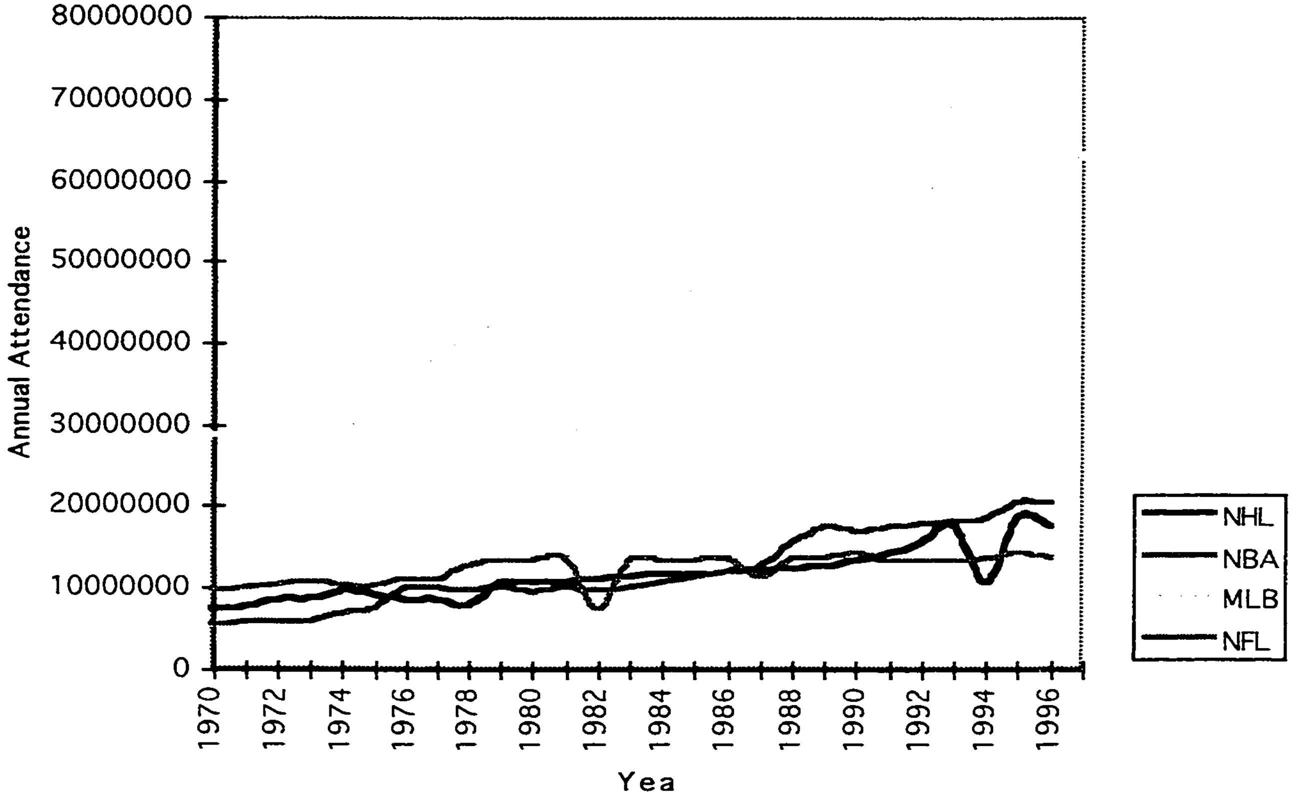
1990	1992	1995	1996	1997
United States District Court Judge Doty's ruling is overturned in November of 1990 by the Eighth Circuit Court of Appeals which said that the league's rules could not be attacked under antitrust laws as there was a union. One month later, the players' union responded by ceasing to be a union (George, Sept. 11, 1992, New York Times, p. B5)	**McNeil v. NFL** Federal jury strikes down the NFL's system of free agency (Plan B) finding it violated antitrust laws (George, T. (Sept. 25, 1992, The New York Times)	MLB players' association seeks to overturn MLB's antitrust exemption.	**Brown v. Pro Football Inc.,** The Supreme Court ruled that it is not an antitrust violation for companies within an industry to get together and impose new contract terms on their unionized employees after labor negotiatons have broken down (Greenhouse, 1996, January 20, p. A1)	Proposed: **The Give Fans A Chance Act of 1997.** Would create the opportunity for community ownership of sport teams. currently prohibited by all leagues. Would also give communities a voice inany relocation decisions (Kraker, 1997, p. 3). Introduced into Congress: **A second bill** that would tax at 40% any subsidies or incentives that businesses, including professional sport teams, receive (Kraker, 1997, p. 3).

Sources: **1)** Klatell, D. A., & Marcus, N. (1988). Sports for Sale: Television, Money and the Fans. New York: Oxford University Press. **2)** Quirk, J. & Fort, D. (1992). Pay Dirt: The Business of Professional Team Sports. Princeton: Princeton University Press. **3)** Horowitz, I. (1978). The implications of home box office for sports broadcasts. The Antitrust Bulletin, 23, 743-768. **4)** Jones, J. C .H., & Davies, D. K. (1978). Not even semitough: Professional sport and Canadian antitrust. The Antitrust Bulletin, 23, 713-742. **5)** Greenhouse, L. (1996, January 20). Justices grant U.S. employers tool to bargain. The New York Times, p. A1. **6)** George, T. (1992. September 11). N.F.L.'s free-agency system is found unfair buy U.S. jury. The New York Times, pp. A1, B15. 7) Kraker, D. (1997). The Economics of Pro Sports: The Fans, The Owners, and the Rules.

Table 2-2: The Organizational Field in 1970 and 1997

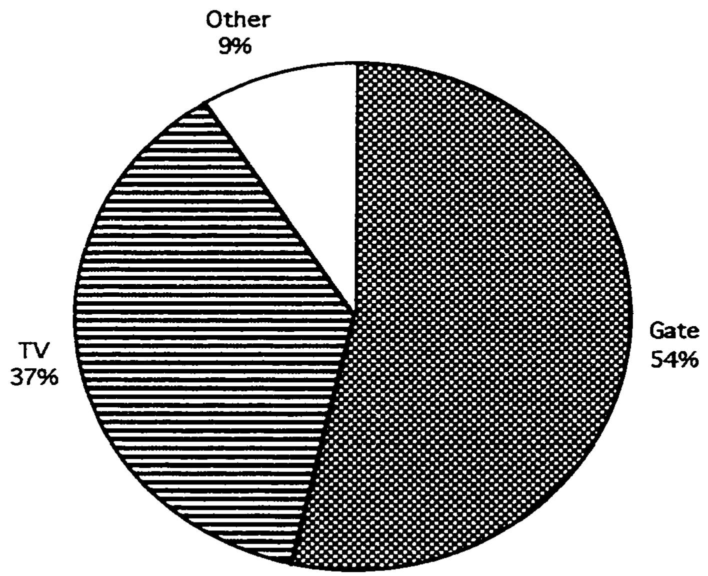
Dimension	Operational Measure	T1	T2
Communities of Actors		**1970**	**1997**
Producers of Services	Number of Franchises	1. NBA 17 2. NHL 16 3. MLB 24 4. NFL 26 5. ABA 12 Total: 95	1. NBA 29 1. NHL 28 3. MLB 30 4. NFL 31 5. ABA Absorbed by NBA Total: 118
Buyers of Services	* Number of Network Broadcasters * Number of Cable Broadcasters * Number of Fans at Games	3 Network Broadcasters 1 Cable Broadcaster 1. NBA 5,330,393 2. NHL 7,257,667 3. MLB 28,747,333 4. NFL 9,533,333	3 Network Broadcasters 164 Cable Broadcasters 1. NBA 20,304,629 2. NHL 17,640,529 3. MLB 63,168,689 4. NFL 13,695,748
Suppliers of Services	Number of Players' Unions	5 Players' Unions	4 Players' Unions
Exchange Processes		**1970**	**1997**
Degree of System Coupling	Cross-ownership of franchises	11 cross-owned franchises	35 cross-owned franchises
Multiplexity of Ties	Patterns of relations among actors (strength, number and duration of ties)	Weak ties, short-term exchange relationships.	Strong, enduring ties such as strategic alliances, partnerships and joint ventures.
Beliefs and Logics of Action		**1970**	**1997**
Domain	Beliefs about products, services and clientele	"Sport-specific Business"	"Entertainment Industry"
Principles of Organizing	Beliefs about the roles, rules and reporting relationships between the leagues and franchises	Cartel structure with power held by the leagues.	Cartel structure eroded, new roles and rules guide the leagues' relationships with their franchises.
Criteria of Effectiveness	Beliefs about the elements on which the league/franchises will be evaluated	Attendance at games (fans).	Attendance (corporate buyers), franchise values, TV ratings, successful corporate partnerships.
Governance Mechanisms		**1970**	**1997**
League-level Govermamce	League by-laws pertaining to revenue-sharing and parity	Little emphasis on revenue-sharing and parity.	Increased emphasis on revenue-sharing and parity.
Market-level Governance	"Markets to Hierarchies" forms of interaction	"Markets"	"Hierarchies"
State-level Governance	Antitrust laws and impact on the power of actors in the field	Power held by the leagues.	Erosion of power of the leagues. Increased power of the franchises & Players'

Figure 2-1: League Attendance Figures (1970 to 1997)

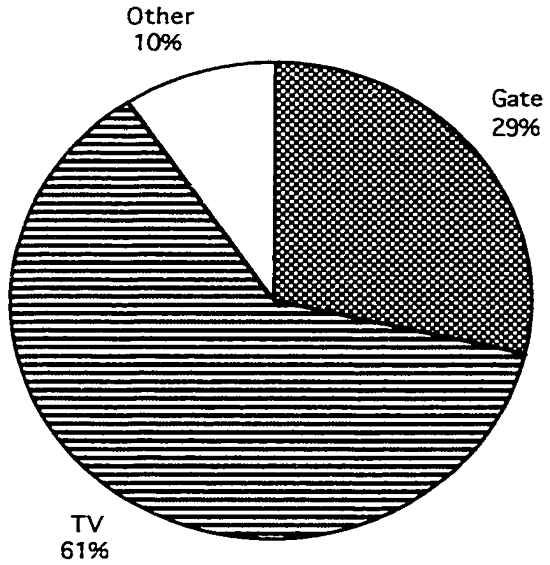


Sources: Quirk & Fort (1992); The Sporting News (1993-1997).

Figure 2-2: Revenue Sources of the National Football League 1970 and 1996

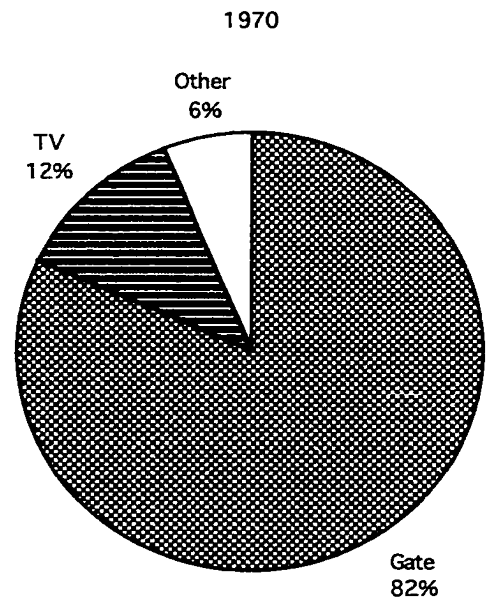


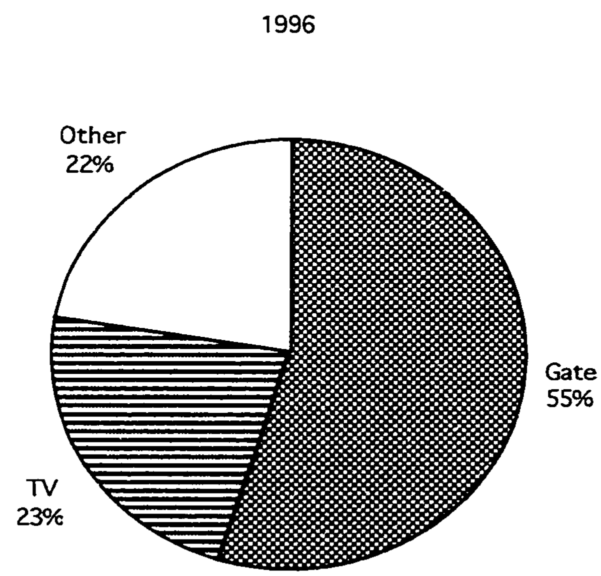
1996



1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

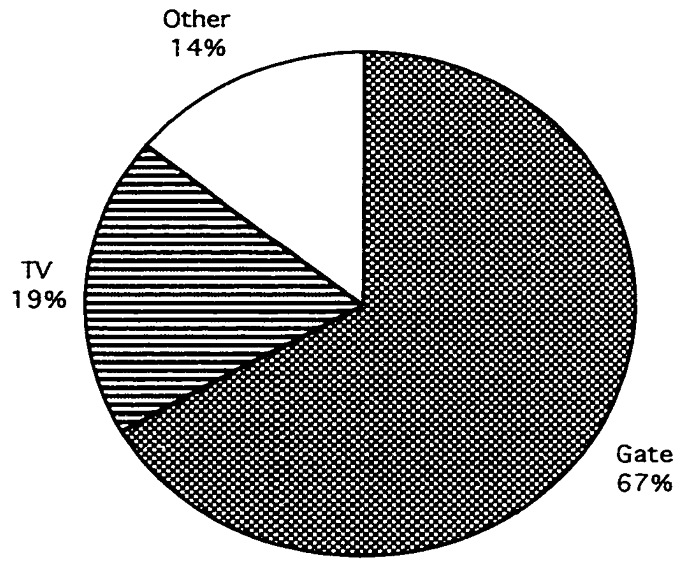
Figure 2-3: Revenue Sources of the National Hockey League (1970 and 1996)



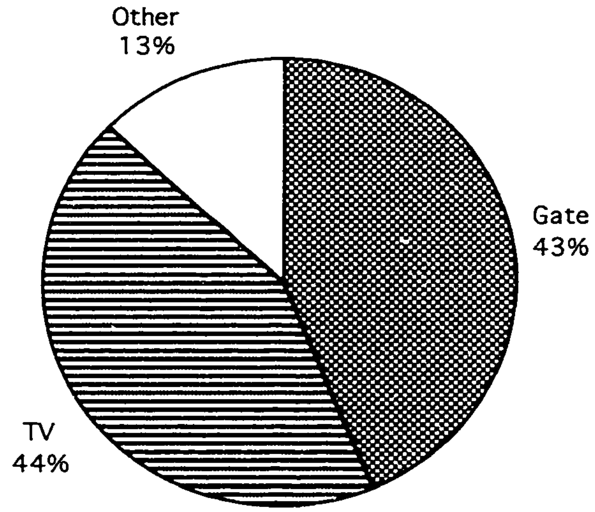


1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 2-4: Revenue Sources of the National Basketball Association (1971 and 1996)

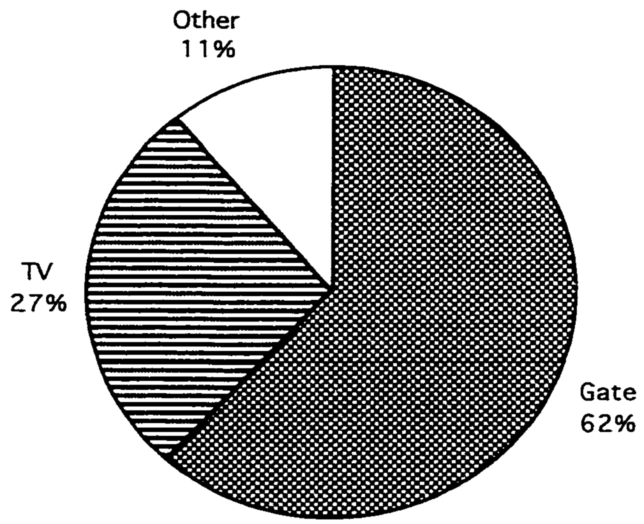


1996

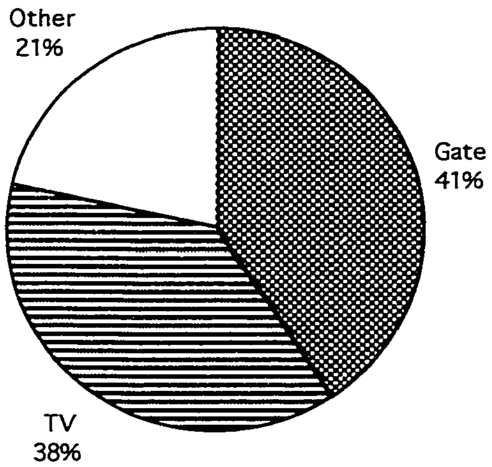


1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 2-5: Revenue Sources of Major League Baseball (1969 and 1996)



1996



1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

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CHAPTER 3
Paper 2
The Dynamics of Field-Level Change: An Investigation of North American Major League Professional Sport

Changes to varying aspects of the organizational field encompassing North American professional leagues and franchises have been explored by theorists in the areas of law, economics, sport management and journalism. Legal scholars have sought to enhance our understanding of the shifting governance mechanisms and power relationships among actors (Kurlantzick, 1983; Quinn & Warren, 1983; Roberts, 1984; Rosenbaum, 1987; Seredynski, Jones & Ferguson, 1994; Tagliabue, 1987). Economists (Quirk & Fort, 1992; Vrooman, 1995) have discussed the structure of the professional sport industry as well as the emergence, rise, and decline of actors in this organizational field. The shifts in the types of exchange processes linking the sport organizations to various corporate buyers, particularly those in broadcasting and merchandising, have been discussed by sport management theorists (Cousens & Slack, 1996), while journalism scholars have reflected upon symbiotic relationship between sport organizations and the media and provided evidence of recent increases in proximal linkages between sport and media enterprises (Jhally, 1984; Klatell & Marcus, 1988).

Research exploring the shifts in the legal, economic, business and media aspects of professional sport organizations in the North American context have provided insight into the nature and scope of changes that have taken place in these areas over the last quarter century. Yet, little discussion of the interdependence among these and other aspects of the organizational field in which they are embedded has been undertaken. For example, queries regarding the relationship between the shifts in the legal governance of this field and the strategies enacted by the leaders of the leagues and franchises have yet to be explored. Additionally, little is known about the impact of changes in the type of number of actors in the field, and impact of shifts in its structure, upon the types of exchange processes chosen by these firms. The very nature of academic disciplines has fostered the treatment of the sport industry as several discrete areas of investigation and, as such, has limited opportunities to understand the dynamic nature of the process of change at a broader and more integrated level of analysis. Furthermore, the segmentation and investigation of this industry by different disciplines has ensured that only a partial exploration of the factors contributing to the evolution of this organizational field are encapsulated within different research endeavors. Given this, a holistic approach to investigating change in organizational fields, one that considers the communities of actors and structure of the industry, the types of exchange processes linking actors to one another, the ideas and beliefs of leaders, as well as its governance mechanisms, is needed.

Investigations at this level of analysis, that of the organizational field, are particularly salient given their ability to isolate sets of differentiated, interdependent organizations for analysis (Scott, 1995) and examine the process of change where government influence is particularly important (DiMaggio, 1991). Yet, despite the stated importance of studies conducted at this level of analysis, our understanding of the interplay between the dimensions of fields remains vague (DiMaggio, 1988). Scott (1994), for example, noted that descriptive accounts of field-level change fall short of generating explanations of the emergence of new organizational forms and institutionalized practices. Given this, historical approaches that investigate shifts in the structure and content of organizational fields, and those that explore the influence that shifts in one or more dimensions of a fields upon the its remaining constructs, are needed to extend our knowledge of the dynamic process of field-level change and to lend insight into the transformation of the field encompassing North American professional sport leagues.

While our understanding the interplay between the dimensions of organizational fields remains unclear, the importance of adopting holistic approaches, those that encompass varying dimensions and levels of analysis, to investigating change have been emphasized (Pettigrew, 1987; Hellgren, Melin & Pettersson, 1993; Scott, Mendel & Pollack, forthcoming). Pettigrew (1987), for example, highlighted the need to move beyond snapshots of time-series data to encompass the events that give meaning and substance to the phenomena under investigation. Given the deficiencies of studies of change that neglected the history, process and context of the transformation, longitudinal studies that consider change at vertical and horizontal levels of analysis are needed (Pettigrew, 1987). Understanding the multifaceted nature of change necessitates encompassing both the interdependence between different levels of analysis and the sequential interconnectedness among phenomena occurring at different points in time (Pettigrew, 1987). In doing this, the processes of change that are both constrained by and shape structures are uncovered (Pettigrew, 1987). This view of change is shared by neo-institutional theorists who highlighted the duality of structure that represents both past actions as well as the context or medium within which ongoing action occurs (Giddens, 1979; Scott, 1994).

Accordingly, theorists have suggested holistic frameworks that encompass foci at different levels of analysis and dimensions of organizational fields. Hellgren, Melin and Pettersson (1993), for example, suggested the *industrial field approach* to conducting multilevel analysis of stability and change in industrial sectors. This dynamic approach encapsulates varying levels of analysis - the individual, the firm, the industry - as well as three theoretical dimensions - the factual dimension, the relational dimension, the ideological dimension. This framework emphasizes the importance of considering the collective beliefs of actors, the different types of exchange relationships linking firms in a network, and the structure of the industry and strategies enacted by organizational actors. Furthermore, these researchers accentuated the importance of the interplay, or relationships, among these varying facets of fields to uncover the driving forces that may inhibit or facilitate change. However, these levels of analysis and dimensions of fields are not considered discrete. On the contrary, a fundamental argument these theorists posit is that the parts (organizations) of an industrial field cannot be understood without considering the whole (the field) given that the dimensions of fields "are always intertwined in the continuous formation and transformation of industrial structures on different levels" (Hellgren et al., 1993, p. 103).

Similarly, Scott, Mendel and Pollack (forthcoming) have called for a multidimensional approach that also considers the ideological and relational dimensions of fields. By comparison, however, Scott et al. (forthcoming) highlighted the importance of the communities of actors that constitute a field and its governance mechanisms. Accordingly, these researchers suggested four constructs of organizational fields that included: 1) communities of actors, 2) exchange processes, 3) beliefs and logics of action, and 4) governance mechanisms. While Hellgren et al. (1993) and Scott et al. (forthcoming) are uniform in their expressions of the importance of the ideational or cognitive element of fields, it is Scott et al.'s (forthcoming) focus upon the communities of actors in a field and its governance arrangements that differentiate these two frameworks. Scott et al.'s (forthcoming) framework facilitates investigations of the shifts in the boundaries between organizations or communities of firms as well as creation of new types of organizational forms as examinations of the key actors in the field are undertaken. Furthermore, the importance of focusing on the development of governance arrangements that support the control of one set of actors by another is emphasized (Scott et al., forthcoming). Scott et al. (forthcoming), akin to Hellgren et al. (1993), highlighted the interconnectedness among the varying dimensions of fields and varying levels of analysis. However, Scott et al. (forthcoming) also emphasized the importance of the technical and institutional environments in which organizations are embedded.

Interestingly, examinations of the interplay between the different levels of analysis are not new to neo-institutional theorists. Greenwood and Hinings (1996), for example, investigated the relationships between organizational context and action to enhance our understanding of a firm's responses to institutional prescriptions. In keeping with the tenants of the new institutionalism, these theorists focused their attention on populations of organizations, rather than individual firms, within an organizational field. Templates of organizing, that is the ideas beliefs and values that underpin the structures and systems of organizations, were employed to explore convergent and radical organizational change among a community of organizations (Hinings & Greenwood, 1988; Greenwood & Hinings, 1996; Kikulis, Slack & Hinings, 1995). The research of Hinings and Greenwood (1996) in this area highlighted the dynamic relationship between intraorganizational aspects of a firm, more specifically their precipitating and enabling dynamics, and its market and institutional context.

While these theorists have explored the relationship between organizations and the context in which they are embedded, others have investigated the connections between varying dimensions of organizational fields. Abrahamson and Fombrun (1994), for example, studied the association between the exchange processes and a dominant set of beliefs that exist at the industry level of analysis. They labeled this dominant world view a *macroculture* and demonstrated how the density of ties among actors and patterns of relationships among actors were associated with the emergence of a shared set of beliefs. The relationship between the exchange processes of firms and governance mechanisms have also been discussed. For example Lindberg, Campbell and Hollingsworth (1991) discussed the market-level governance structures that encompass the transaction relationships among actors in an industry. They found that actors seek to strengthen relationships as a means to govern industry rivalry and address issues of uncertainty. Investigations uncovering the nature of interaction among organizations and governance mechanisms that constitute the environment in which organizational actors are embedded promise to shed light upon the uniformity and diversity of organizations that reside in organizational fields.

Research undertaken by the theorists noted above highlight both the need to understand change at the level of the organizational field as well as the importance of employing a multidimensional approach that examination the process of change over an extended period of time. Furthermore, research to date exploring change in the professional sport industry has segmented varying aspects of the field into discrete elements without consideration for the relationships between these elements. A more comprehensive approach to investigating change in the organizational field of professional sport leagues and franchises is needed to capture the multi-faceted nature of change in this industry. Given this, the purpose of this paper is to investigate the interplay among the various dimensions of the field encompassing North American professional sport leagues. This study considers the communities of actors, exchange processes, beliefs and logics of action and governance mechanisms of one organizational field. Scott et al.'s (forthcoming) framework was selected for this investigation and, as such, a detailed historical account of the transformation of each of the four dimensions of this field between 1970 and 1997 is provided. Accordingly, the first section of this paper outlines the four dimensions of organizational fields identified by these researchers. The next section outlines the methodological approach employed in this investigation. The results of this study are then presented followed by a discussion of the interplay between the dimensions of this organizational field. The final section of this paper provides some concluding remarks and suggestions for further research.

Conceptual Framework

The evolution of organizational fields has been conceptualized as a dynamic process where communities of organizational actors, their beliefs and logics of actions, exchange processes and governance structures change over time (Scott et al., forthcoming). Field-level shifts may involve the erosion of the boundaries between communities of actors, the emergence of new organizational forms (Scott et al., forthcoming) or the introduction of new practices from actors at the periphery of a field (Leblebici, Salancik, Copay & King, 1991). The linkages that bind organizational actors to one another or the governance mechanisms that regulate the interplay among firms each contribute to the ongoing structuration of a field (Scott, et al., 1996). The organizational field that encompasses North American professional sports leagues has evolved over the last 27 years and provides a unique opportunity to explore a field that has undergone fundamental change. By exploring the shifts in the communities of actors in this field, their dominant beliefs, chosen exchange processes, and governance mechanisms, we are seeking to understand how these interdependent dimensions shape and are shaped by one or other elements in the field, and by events beyond the field's boundaries (Scott et al., forthcoming).

Initially, the concept of the organizational field was defined by DiMaggio and Powell (1983, p. 143) as "those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and produce consumers, regulatory agencies and other organizations that produce similar services or products." More recently, however, Scott et al. (forthcoming) outlined a framework for conceptualizing organizational fields based upon a set of key constructs. These constructs focus our attention on the multiple types of *communities of actors* residing in fields, their *beliefs and logics of action*, *exchange processes* and *governance structures*. This framework enables us to examine a community of organizations who are linked by shared meaning and governance systems, and by their emerging patterns of interorganizational relationships. The interacting communities of actors in a field, that is the producers of services, their buyers and the suppliers are bounded, according to Fligstein (1991), by their significance from the point of view of actors in any given organization. By conceptualizing fields in this way, we move beyond simply identifying a group of organizations producing similar products and services and their critical exchange partners, to take into account their other possible sources of normative or cognitive influence (Scott, 1994). The following is a presentation of the dimensions of organizational fields.

The *communities of actors* constituting organizational fields, those that establish, maintain and transform the rules of the game that structure a particular field, have been emphasized (DiMaggio, 1988). According to DiMaggio and Powell (1983), the actors within organizational fields are: the buyers, the suppliers, the competitors and the state agencies that are linked to or associated with the focal organizations. The types of actors in a field may also include professional associations (Scott et al., forthcoming). Actors, be they individuals or organizations, and the pattern of relations that encompass them, are carriers and indicators of the dominant logic of a field and its governance structures (Scott et al., forthcoming). Furthermore, it is through the direct and meaningful interaction and increased communication among and between actors that defined structures of domination or patterns of coalitions emerge, and a heightened awareness that firms are in a common enterprise arise (DiMaggio & Powell, 1983). It is the occurrence of interacting sets of actors, and the relationships of power and dependence that arise among them, that constitute the structure of an organizational field (Scott et al., forthcoming). The structure of a field is determined by considering its underlying economic and technical characteristics (Porter, 1980). The elements of industry structure that drive competition, according to Porter (1980), include barriers to entry, industry rivalry, the determinants of buyer power and supplier power, and the determinants of substitution threats. Shifts in these equally important elements have the potential to erode the structure of an industry or enhance its profitability (Porter, 1980). Shifts in the structure of an industry, through for example, new entrants or technological changes, have the potential to destabilize their industry.

The types of actors residing in a field and its structure represent only the first elements to understanding a field's complexity. The *exchange processes* that characterize the relationships among actors in a field are also be considered. The patterns of interaction among firms, and changes in the type and number of linkages binding them together, is of critical importance to understanding field-level change (DiMaggio & Powell, 1983). Considering the exchange processes, or interorganizational relationships, of a field enables us to isolate important elements of change, such as shifts in the density, strength, and number of ties among actors, and shifts in the historical patterns of power and dependence (Stern, 1979). This paper will consider the degree of system coupling in the field, as well as the multiplexity of ties, that is the strength and patterns of relationships that bound the producers of services to their key buyers and suppliers, among actors.

The *degree of system coupling* in a field, according to Stern (1979, p. 245) is the "nature of connectedness between units in a network." Network structures may vary in their degree of interconnectedness. Tightly coupled systems, for example, are characterized by linkages between all of the actors, whereas loosely coupled systems exhibit few ties among all the actors (Knoke & Kuklinski, 1991). Loosely coupled systems offer a degree of stability to actors as they are not subject to conditions affecting localized areas of the network, as compared to tightly coupled systems where events in one area of a network affect all firms linked within its boundaries (Weick, 1976). The importance of considering the degree of system coupling, or density, of a field has been emphasized by Abrahamson and Fombrun (1994) who suggested tightly coupled fields exhibit heightened levels of cooperative and competitive interdependencies among actors. Interestingly, these theorists also posit that strong ties serve as a source of stability in a field by perpetuating the dominant ideas and beliefs of actors.

The *multiplexity of ties* among actors considers the shifting exchange relations that link the actors embedded in a network. The strength, duration and number of ties joining firms to one another evolved over time thereby influencing the patterns of relationships that characterize a network (Stern, 1979). Strong ties are described as stable relations that involve significant resources and serve multiple purposes (Stern, 1979). These enduring relationships act as a stabilizing force within networks (Granovetter, 1992). Weak ties, by comparison, are more easily severed and offer a degree of mobility and latitude that enable firms to choose their own competitive strategies (Astley, 1984). Faulkner (1995) identified an ascending hierarchy of network ties which showed increasing levels of integration. This hierarchy ranges from loose corporate transactional relationships, to strategic alliances and joint ventures. The type, strength and patterns of interaction between the leagues and franchises and their key bargaining partners evolved during the time period under study.

The *beliefs and logics of action* that underpin decision making in organizational fields have been highlighted as an important dimension by neo-institutional theorists (DiMaggio & Powell, 1991). This dimension considers the existence of one or more sets of institutional logics (Scott et al., forthcoming), or sets of material practices and symbolic constructions (Friedland & Alford, 1991) and emerges within institutionally defined arenas where conceptions of the means and criteria of effectiveness and efficiency are governed by a set of rules (Scott et al., forthcoming). According to Scott (1995), this logic arises as actors seek to define the specific nature of the business they are in, their competitors, and from whom they can most profitably learn. The dimensions identified by Hinings and Greenwood (1988) that consider the domain, principles and organizing, and criteria of effectiveness of the producers of services embody the ideas and values, or "interpretive scheme" (Ranson, Hinings & Greenwood, 1980) of firms and, as such, will be employed in this investigation. The *domain* refers to the ideas and values about the products, services and clientele of the organization. *Principles of organizing* refers to beliefs pertaining to the use of roles, rules and reporting relationships in the organization. Finally, the *criteria of effectiveness* concerns the values and beliefs regarding the elements on which the firm will be evaluated.

Governance mechanisms represent the "institutionalized systems of power and control that actors design to reproduce exchange relations so as to help them obtain systematically greater access to resources and information than others" (Lindberg et al., 1991, p. 11). The governance of organizational fields may involve a variety of mechanism including top-down, state driven policies and rules or bottom-up process directed by actors in the field (Scott, 1995). The state's regulative activities, such as sector-specific economic policies or broad social policies, affect fields by sustaining the actions of members or generating shocks that incite field-wide shifts. Self-regulating mechanisms evolve in fields as actors select new sets of governance mechanisms to address organizational problems, or choose new strategies for coping with environmental pressures (Lindberg et al., 1991).

Lindberg et al. (1991) developed a typology of governance systems that seeks to account for the differences in governance mechanisms among industries. Their typology is defined by two theoretical dimensions: 1) the degree of formal integration between organizations, and 2) the range of interaction between organizations. The *degree of formal integration* between organizations is assessed on a continuum that distinguishes between formal and informal types of organizations such as, for example, markets and hierarchies (Williamson, 1975), exchange and authority systems (Lindbolm, 1977) or social choice and bureaucratic control systems. The second dimension, the *range of interaction*, distinguishes between governance mechanism "according to the degree to which organizations engage in exchanges that involved several or just a few members at a time" (Lindberg et al., 1991, p. 15). Using these structural dimensions, six ideal types of governance mechanisms were identified: 1) markets, 2) obligational networks, 3) hierarchies, 4) monitoring, 5) professional networks, and 6) associations. The state is conceptualized in its own terms by Lindberg et al. (1991) given its distinctive ability to act as a gatekeeper to outsiders or to provide arenas through which new actors may participate. The state also has the capacity to facilitate or inhibit production and exchange and, in doing so, develop different forms of governance in a sector or field. Furthermore, the regulation of markets by the state may contribute to their formation through the use of antitrust or other pieces of legislation (Lindberg et al., 1991).

The communities of actors in this field, their exchange processes, beliefs and logics of action, and governance mechanisms are the core concepts that will be used to frame this investigation. The interrelationships among these dimensions will be explored by taking account of the events that unfolded in this field during an extended time period. Before the account history of these shifts is presented, an overview of the methods used to collect the data for this study is provided.

Methods

In order to examine the dynamics of change in the organizational field that encompassed North American professional sport leagues, a historical-comparative approach was selected. Quantitative data were collected about the communities of actors in this field, the field's structure, the exchange processes that existed between the producers of services and their buyers and suppliers, and the governance mechanisms and logics of action. Historical documents from a selection of secondary sources such as the leagues, the media, sport-related magazines, and historical books about the leagues and broadcasters during this time period were gathered. The following is an overview of the selection of the research site, the time period under review, and the procedures employed to collect and analyze the data.

Selection of Research Site. The research site chosen was the organizational field encompassing North American major league professional sport organizations. More specifically, the field encompassing firms that produce major league professional sport entertainment, together with their key suppliers, buyers, and regulatory agencies, provided a unique opportunity to explore the dynamics of a field that experienced change in each of the dimensions of fields identified by Scott et al. (forthcoming). For example, the struggles among actors in this field, and the governance mechanisms employed to mediate among the actors, provide an interesting opportunity to regard changes in the governance systems in a field and the impact of these changes on its structure. The structure of this field shifted as rival leagues merged and new entrants entered into the field. For instance, the number of service providers, the leagues and franchises, dwindled while the buyers of sport-league entertainment rose dramatically. Furthermore, the diversification strategies employed by the leaders facilitated the creation of a new products and, accordingly, attracted a wide array of corporate buyers of league and franchise products. Finally, the exchange processes that linked the producers of services to their key bargaining partners also evolved during the time period under study. The types and patterns of relations among actors increased in strength and number, thereby altering the administrative structure of this field. Similarly, the degree of system coupling in this field grew tight as owners of franchises began to purchase clubs in other leagues.

Time Period Under Review. The time frame selected for this study was the 27 year period between 1970 to 1997. This interval extends back to an epoch before the occurrence of major trigger events that resulted in field-level changes. The early 1970s represents, for example, a time before the deregulation of cable television, before the onset of free agency by the players, and before the leagues merged or absorbed rival leagues. This was also a time preceding the creation of the leagues' properties divisions and the wide-spread adoption of corporate marketing practices among actors in the field (Gorman & Calhoun, 1994). Data collection extending back to 1970 enabled this researcher to capture the major shifts that took place in the structure of this industry, its governance and the evolution of the interorganizational relationships between the producers of services and their key buyers and suppliers.

Data Collection. The research design required a multi-method approach to collecting both quantitative and qualitative data. Quantitative and qualitative data were gathered from a selection of primary and secondary sources. Data pertaining to the communities of actors and structure of the field, their exchange processes, beliefs and logics of action and governance mechanisms were initially collected from a selection of primary and secondary sources (see Appendix A) with personal interviews (see Appendix A) subsequently conducted to gather qualitative evidence regarding the beliefs and logics of action that existed in this organizational field. The decision to collect and analyze archival data was based upon the work Huff (1982) who gathered and analyzed data from sources such as industry publications in the white appliance industry. Following the analysis of the archival primary data, interviews were conducted with the leaders from each of the four major leagues. This method of data collection was selected based upon the work of Spender (1989) who employed personal interviews in a study to investigate changes in the industrial recipe of the fork-lift truck rental industry.

Operational Measures. In order to uncover the shifts in each of the four dimensions of this organizational field that occurred between 1970 and 1997 the constructs identified by Scott et al. (forthcoming) were operationalized and a series of measurable indicators of these constructs were selected (see Appendix A). The first construct identified by Scott et al. (forthcoming) was the multiple types of *communities of actors* residing in fields. Developing appropriate measures of this construct involved identifying the focal actors of this investigation and their competitors, buyers, and suppliers of services and investigating changes in these communities of actors on a yearly basis. Given that the focal actors were the professional sport leagues and franchises, I selected key buyers and suppliers linked to these actors during the time periods under study. The major *competitors* of the focal leagues examined in this study were those firms identified as being rivals during the time period under review. *Buyers* were defined as those communities of individuals or firms that provided major sources of revenue to the franchises and leagues. The sale of tickets to the general public and broadcasting contracts sold to network and cable broadcasting companies were identified as the two major sources of revenue for professional sport franchises (Kennedy & Williamson, 1978; Quirk & Fort, 1992). The major *suppliers* of crucial resources and/or services to the franchises and leagues were the players' associations. Communities of actors, such as the minor leagues, the National Collegiate Athletic Association (NCAA) and a plethora of corporate sponsors also interacted with the leagues and franchises during the time period under investigation. While these populations of firms represented meaningful aspects of the field encompassing the focal actors, investigating each of these buyers and suppliers was beyond the scope of this research.

The construct considering the *exchange processes* in this field included both the degree of system coupling as well as the multiplexity of ties among actors. Measurement of the degree of system coupling demonstrated shifts in the cross-ownership of franchises during the time period under study, and the subsequent interlocking boards of governors of the leagues. The multiplexity of ties among actors were measured by assessing the shifts in the types of linkages among actors and the emergence of new types of interorganizational relationships. Data pertaining to the types and patterns of relations among actors considered and the strength of ties and number of linkages that bound the providers of services, the franchises and leagues, to their buyers and suppliers was retrieved from both the primary and secondary sources of data. Faulkner's (1995) ascending hierarchy of exchange relationships, that which progress from weak ties such as exchange relationships to stronger ties such as licensing agreements, partnerships, strategic alliances and joint ventures, was used as a measure of the strength of the relationships among actors at two intervals in time, and as an indicator of shifts in the patterns of linkages between the leagues and their buyers and suppliers.

Measures of *beliefs and logics of action* in this field assessed the league leaders' ideas and beliefs pertaining to their domain, principles of organizing, and criteria of effectiveness. Qualitative data in the form of the league leaders' words offered a poignant indication of their ideas and beliefs pertaining to the nature of their businesses, the milieu of their industry, their operating principals, and their criteria employed to evaluate the performance and effectiveness of their business operations. These words, expressed in the numerous interviews granted by these individuals throughout the time period under study, provided invaluable qualitative evidence of the beliefs and logics of action of the league leaders in 1970 and in 1997.

Operationalizing the construct of *governance mechanisms* involved investigating qualitative evidence at the league, market and state levels of analysis. Aspects of the leagues' constitutions and by-laws were reviewed as a measure of firm-level governance. More specifically, a comparative analysis of secondary data pertaining to the leagues' revenue sharing and ownership policies was undertaken as a measure of the changes in the leagues' governance structures across the two time periods under study. Governance at the field level of analysis was investigated by considering the vertical integration of franchises by broadcasting companies and vice versa. This integration of sport franchises into conglomerates represented a shift from a markets to hierarchies (Thorelli, 1986; Lindberg et al., 1991) style of governance structure and, as such, was selected as our measure. Finally, the indicators employed to review the governance by the state were the numerous court cases that challenged the leagues under the Sherman Antitrust Act (see Table 3-1). Changes in field governance at this level of analysis were examined by reviewing a comprehensive index of cases involving the leagues and their key buyers and suppliers. This index was based upon the 27 court cases highlighted by Quirk and Fort (1992) and was supplemented by the major court cases identified by the league leaders as having impacted their organizations. In total, 39 judicial decisions were considered.

Insert Table 3-1 about here

Data Analysis. Considerable quantities of quantitative and qualitative data were gathered for this research given the need to investigate change in each of the four dimensions of this organizational field. Analysis of this data necessitated the employment of different techniques based upon the dimension under examination, the type of measure chosen to evaluate changes in the constructs selected, and the type of data gathered (see Appendix A). For example, uncovering comparative information about shifts in the *communities of actors* in the organizational field required the analysis of descriptive data pertaining to the number of actors that existed in each community of actors throughout the time period under study. Analysis of the data to uncover shifts in the *exchange processes* in the field, in particular the degree of system coupling and the strength of ties between actors, involved two different types of analysis. Changes in the degree of system coupling were measured by creating a data base of franchise owners and cross-referencing the names of owners in one league with the other three leagues to uncover the number of cross-owned franchises during each year of the study. The analysis of the strength of ties among actors was drawn primarily from qualitative data, pertaining to the new types of strategic alliances, partnerships and joint ventures, that were collected by Cousens and Slack (1996). Data analysis to uncover changes in the *beliefs and logics of action* of actors in this organizational field consisted of both multi-level and pattern coding of primary qualitative data retrieved from the leagues and Halls of Fame and personal interviews conducted by the researcher. Uncovering shifts in the *governance mechanisms* in the field involved the analysis of data pertaining to the 39 state-level antitrust cases presented in the "policy map" (see Table 3-1), the market-level exchange processes, and the league-level by-laws in the areas of revenue sharing and parity.

Results

The following is a detailed event history of the changes that unfolded in this organizational field between 1970 and 1997. Each of the four dimensions of the organizational field encompassing North American major league professional sport organizations are discussed to provide an historically grounded account of the transformation of this organizational field.

Changes in Communities of Actors and Structure of the Field (1970-1997)

In 1970, the *producers of services* in this field were the 95 professional sport franchises that existed under the umbrella of one of five major professional sport leagues. These leagues included the National Hockey League (NHL), the National Basketball Association (NBA), the American Basketball Association (ABA), the National Football League (NFL), and Major League Baseball (MLB). Importantly, the number of franchises that existed in this field throughout the period under study was a direct consequence of decisions made by the leagues that governed them. The discretion to increase the number of franchises in a league is centralized at the level of the Board of Governors in each of the leagues (Euchner, 1993). The number of producers of services in the field increased dramatically in the 1970s as rival sport leagues entered in the field (see Figure 3-1). During this decade, same-sport leagues existed in three of the four major sports: basketball, hockey and football. The intensity of rivalry among these leagues was heightened as a result of the balance between the rival leagues as well as the increasing fixed costs of putting teams on the ice, court or field. Rival basketball leagues existed in this field in the first half of the 1970s, for example, as a result of the 12-team ABA that had entered the field in 1967 (Quirk & Fort, 1992). In 1972 a second new entrant, the World Hockey Association (WHA), penetrated the field under the leadership of entrepreneurs Gary Davidson and Dennis Murphy (Quirk & Fort, 1992). Prior to this time, the NHL had existed as a virtual monopoly within the domain of major league hockey. A third rival league, the World Football League, entered the field in 1974 to challenge the NFL's monopoly as the only provider of major league football in the United States (Quirk & Fort, 1992).

Insert Figure 3-1 about here

The threat of new entrants was a likely occurrence in sport, with each of the leagues competing against same-sport rivals throughout the first half of the 19th century (Quirk & Fort, 1992). However in the 1970s, the three rival leagues upset the balance of power between the established providers of sport products and their buyers and suppliers. Dealing with the rivalry among providers of the same sport products enveloped most of the 1970s with the NBA, NHL and NFL each endeavoring to maintain their franchises' profitability while struggling with increasing costs and decreasing revenues. The effect of rival leagues on the competitive milieu of the industry, the structure of this field, and the profitability of the leagues and franchises are discussed below.

This intense rivalry between the basketball and hockey leagues resulted from a number of interacting structural factors. One factor that increased rivalry was the equal balance among competitors. The WHA, for example, had 14 teams in 1972 as compared to the 16 teams that existed in the NHL (Quirk & Fort, 1992). ABA began with 12 teams and expanded to 18 teams by in 1975 as compared to 18 teams that constituted the NBA. The ABA initially competed head-to-head with the NBA by situating franchises in the same geographic markets (Quirk & Fort, 1992). These teams were unable to remain competitive, however, and later relocated to other markets. The WHA did not make the same mistake, and placed its clubs in untapped markets in Canada and the United States.

In this field, the fixed costs of producing the core product increased dramatically when rival leagues upset the balance of power between the NHL and NBA and their suppliers of talent, the NHLPA and NBAPA respectively. According to Cruise and Griffiths (1992), competition between the two leagues pushed NHL salaries from an average of $28,500 in 1972 to $96,000 by 1977. As the WHA continued to pillage NHL franchises of players, the antagonism between the leagues intensified and by 1973, 23 lawsuits had been filed between the leagues (Cruise & Griffiths, 1992). The WHA aggressively sought NHL players and, when the league was launched in 1972, 76 of its 246 athletes played in the NHL the previous season (Quirk & Fort, 1992). Among the talented athletes who signed contracts with WHA franchises were notable stars such as Bobby Hull, Gary Cheevers, and Gordie Howe (Quirk & Fort, 1992). The intensity of rivalry between the two basketball leagues also increased as both leagues jockeyed for position within the field. The ABA, for example, filed a $300 million anti-trust lawsuit against the NBA and threatened to sign established NBA players (Carry, 1974). The ABA's franchise in Virginia and later New York contracted stars such as Julius Erving, the incomparable "Doctor J", in an attempt to captivate fan interest and produce a comparable on-court product (Quirk & Fort, 1992). This rivalry facilitated a significant increase in the player salaries which escalated by 700 percent between 1967 and 1977 (Kennedy & Williamson, 1978).

Despite these attempts to attract buyers, attendance at the rival leagues' games dwindled. Escalating player salaries increased the owners' overhead costs while the leagues' competition for fans' interest resulted in a five-year period with little growth in attendance among NHL and NBA clubs (The Sporting News, 1996). The low revenues and high fixed costs needed to field a team adversely impacted the profitability of the franchises. The lack of differentiation among the products offered by same-sport leagues also intensified the rivalry among leagues and reduced profitability. The low exit barriers of this industry facilitated the withdrawal of franchises from this organizational field and, not surprisingly, before the start of the 1975/1976 season four of the ABA's nine remaining teams joined the NBA with the remainder dissolving (Quirk & Fort, 1992). Similarly, in 1979 four WHA teams joined the NHL and the remaining four franchises elected to close their doors (Quirk & Fort, 1992).

The emergence of the WFL, by comparison, did not create the same intensity of rivalry during its brief existence. The league was launched in 1973 by Gary Davidson, the same person who launched the ABA and WHA, and disbanded less than two years later. This upstart league's franchise owners could not compete with the NFL for television contracts and fans. Whereas the NFL franchise owners received $2.2 million dollars per season from television, the contract paid to the entire 15-team WFL was only $130,000 (Quirk & Fort, 1992). Similarly, the low attendance figures at WFL games significantly impacted the profitability of the franchises and resulted in the high turnover of franchise owners. Five teams, for example, were sold three times during the 18 months between the date the league was launched and the day it disbanded (Quirk & Fort, 1992). In comparison to the WHA and ABA, the WFL proved ineffective in attracting the top athletes away from the NFL (Quirk & Fort, 1992).

Out from under the burden of competition following the absorption or withdrawal of rival leagues, the leaders of the NHL, NBA and NFL focused their attention upon penetrating new markets, expanding their roles by catering to the needs of broadcasters and major corporations, and establishing barriers to entry to prevent the emergence of new rival leagues (Scully, 1995). Although entrepreneurs threatened to or have successfully introduced rival leagues since the 1970s, for example the league that was proposed by CBS after the NFL signed its contract with Fox Sport (Lefton, 1994) and the United States Football League (USFL) that emerged in the 1980s (Quirk & Fort, 1992), the four major leagues have remained the exclusive providers of major league sport entertainment within this field. Thus, the dominant model for the production of the core sport product evolved throughout this turbulent decade. By 1979, the numbers of leagues, and consequently the number of franchises, dwindled as the emergent logic postulated that the marketplace could support only one major league in each sport. By the 1980s, the leagues' monopoly control over their respective sport domains not only influenced the structure of this field by limiting the number of producers of services, it also altered the balance of power between the producers of services and their suppliers of talent, the players' associations. The associations, however, did seek to reduce the power of the leagues and franchises to exercise their monopsony power over the athletes.

The late 1980s and early 1990s were a period of expansion for all of the major leagues in this organizational field (see Figure 3-2). Expansion created barriers that prevented the emergence of rivals (Scully, 1995), provided the owners of franchises with revenue from the sale of new teams (Scully, 1995), and enabled them to enter key broadcasting marketplaces (Cohen, 1994). The four major leagues strategically situated expansion franchises in markets in Canada and the United States. The NHL and NBA engaged in particularly aggressive expansion plans in the late 1980s and 1990s (Gorman & Calhoun, 1994). The NHL launched five franchises in the early 1990s and in late 1997 this league announced that four expansion teams would be introduced between 1999 and 2001 (Team Marketing Report, 1998). The NBA expanded by four franchises between 1988 and 1989 followed by an additional two teams that were launched in Canada in the 1990s (Gorman & Calhoun, 1994). The NFL increased by three clubs in the 1990s, while MLB launched two expansion franchises during this decade (Team Marketing Report, 1998).

Insert Figure 3-2 about here

Importantly, it must be noted that the leagues and franchise leaders also changed during the 27 years under investigation. A succession of new commissioners entered the field after 1970 (see Table 3-2). These new entrants arrived from a wide variety of corporate and professional backgrounds and were often recruited by the league and franchise leaders because of their knowledge and experience in areas deemed crucial to the sport organizations. One such example is Peter Ueberroth, entrepreneur and former president of the Los Angeles Olympic Games, who became commissioner of MLB in 1984 (Helyar, 1994). The search committee who selected Ueberroth, according to MLB owner Jerry Reisndorf, "was looking for a man with a business background as opposed to one with a baseball background" (Nightingale, 1984, p. 17). Ueberroth's ideas in the areas of corporate sponsorship, merchandising, revenue-sharing and financial accountability were injected into the collective conscious of MLB owners following his appointment as commissioner (Helyar, 1994). David Stern, formerly a legal counsel to the NBA, became its commissioner in 1984 and also contributed a plethora of ideas into the firm, particularly in the areas of marketing and partnerships. The NHL's current commissioner, Gary Bettman, who was recruited away from the NBA in 1992, brought expertise in the areas of labor relations, marketing and management.

Insert Table 3-2 about here

Furthermore, new individual and corporate owners also entered the field from backgrounds primarily in the entertainment and broadcasting industries. The effects of new owners upon MLB were discussed by Helyar (1994) who stated that new owners represented a crucial difference in areas of labor relations. Nine new owners entered MLB after 1990 representing "not only a new one-third turnover but a big change in thinking" (Helyar, 1994, p. 593). These new franchise leaders included Wayne Huizenga of Blockbuster Video, David Glass, chief executive of Wal-Mart, Peter Magowan of Safeway, and grocery store magnate Draton McLane. Given the considerable experience gleaned through their other business, these new owners refused to adhere to MLB traditions limiting their involvement in league decision-making. From the outset, they became actively involved in the league's labor negotiations by drawing from their past experiences with labor unions and sharing their ideas with other board members (Helyar, 1994). The NHL also experienced an influx of owners with diverse corporate backgrounds in the 1990s. These new owners included: The Walt Disney Corporation under Michael Eisner, Wayne Huizenga of Blockbuster Video, Ted Turner of TBS, and broadcasting companies such as Ascent Entertainment, Comcast and Adelphia Cable Communications (Team Marketing Report, 1998). Similarly, the NBA and NFL experienced a turnover of franchise owners and the entrance of new owners as the leagues expanded into new markets (Gorman & Calhoun, 1994).

The major *suppliers of services* to the franchises were the players' associations that provided the talented athletes necessary for the production of the core product, the game. These associations were the population of organizations that evolved specifically to cater to the needs of highly talented athletes who played major league professional sports (Berry, Gould, & Staudohar, 1986). Five players' associations existed in 1970, each representing the needs of athletes in the major sport leagues. These associations included: the National

Hockey League Players' Association (NHLPA), the National Basketball Association Players' Association (NBAPA), the National Football League Players Association (NFLPA), the Major League Baseball Players' Association (MLBPA), and the American Basketball Association Players' Association (ABAPA). Labor relations, according to Staudohar (1986), did not play a dominant role in professional sports until the 1970s, when a new era emerged that featured collective bargaining, court actions and strikes as the players sought to assert their power against the owners' exclusive interests. The infrequent and transitory confrontations between the players and management that characterized the industry prior to the 1970s changed as sport became more akin to traditional businesses and the players turned to agents to represent them in salary negotiations (Staudohar, 1986). The players' unions became increasingly active when the structure of this industry began to shift in the 1970s as a result of competition between, and the eventual absorption of, rival leagues.

Antitrust laws in the United States obliged the leagues to apply for Congressional permission to merge (Harris, 1986). When the NBA absorbed franchises from its rival, the ABA, in 1975, a unique shift in the balance of power between the franchise owners and the players occurred: free agency for the players was granted. In this same year, Canadian courts refused to uphold the NHL's reserve clause when challenged by players seeking to vault to this league's rival, the WHA (Cruise & Griffiths, 1992). These leagues' efforts to increase monopoly control over their respective sports was gained at a considerable cost with the players increasing their power to decide their futures. Following these court rulings, in 1976 Major League Baseball's reserve clause was ruled illegal by the Supreme Court of the United States (Quirk & Fort, 1992).

The onset of free agency represented a significant shift in the balance of power between the owners and the players. Historically, the power of the teams in all the major leagues to control the professional destiny of their athletes rested on the player reservation system. This system was based on the reserve clause, player waiver rules, and the college or rookie draft that enabled the franchise owners to exercise their rights to limit player mobility (Quirk & Fort, 1992). Varying degrees of free agency were granted to the players in each of the leagues during the 1970s and 1980s (Quirk & Fort, 1992). Free agency enhanced the mobility of players and, as such, the owners' bids to attract the most talented athletes increased. As a result, player salaries in all four leagues rose dramatically in the 1980s and 1990s. In MLB, for example, the average player salary rose from $51,501 (Gorman & Calhoun, 1994) before the birth of free agency in 1976 to over $1 million by 1992 (Helyar, 1994). While the actual degree of freedom granted to the players as a result of challenges to the reserve clause varied among the four leagues, the power of the unions as the key supplier of talented athletes was enhanced following the onset of free agency. The level of organization among the players also increased as the union executives educated their players (Helyar, 1994; Cruise & Griffiths). The nature of the industry itself, one dependent upon the skills of the most highly talented athletes, limited opportunities for the substitution of athletes by the owners and thus enhanced the players' bargaining position. Finally, the elite-level of these talented suppliers were important to the success of the owners core business and, as such, enhanced their bargaining power.

The *communities of buyers* of franchise products in 1970 were primarily the general public who purchased tickets to attend matches, broadcasters, and corporate sponsors (Kennedy & Williamson, 1978). Revenue generated from the sale of tickets to the fans represented the largest source of income for the franchises (Kennedy & Williamson, 1978). On average, 65 percent of the revenues generated by the NHL, NBA, NFL and MLB clubs were from the gate, while 24 percent was generated from the sale of television contracts to broadcasters (Kennedy & Williamson, 1978). While the fan attendance at games remained an important source of income for the franchises throughout the time period under study, revenue from the sale of broadcasting rights surpassed that generated from the gate as the primary source of income for this community of professional sport organizations (see Figures 3-3 to 3-6). Interestingly, this shift in major revenue sources occurred despite steady increases in attendance during the 27 years under investigation (see Figure 3-7).

Insert Figures 3-3 to 3-7 about here

Broadcasting companies represented the other major source of revenue for the franchises. Among the four leagues, the NFL's franchises received the largest percentage of their revenues from television with 37 percent of their incomes generated through the league-wide television contracts with the CBS and NBC (Harris, 1986). The NFL was the only league to centralize the sale of its broadcasting rites at the level of the league (Quirk & Fort, 1992). Under the NFL's "league think" revenue-sharing formula initiated by Commissioner Pete Rozelle in 1961, the league, rather than the franchises, controlled the rights to negotiate and sell broadcasting contracts with the revenue generated shared equally among the franchises. By comparison, the franchises in the NHL, NBA and MLB were empowered to sell television broadcasting rights in local markets and share in the contracts sold to the network broadcasting companies (Klatell & Marcus, 1988).

Amid this decade's shifts in the structure of this field, another event of such magnitude took place that the relationship between the producers and their buyers would be forever altered. This event was the deregulation of cable broadcasting in the United States. In the early 1970s, the producers of services in this field, professional sport franchises, sold their television broadcasting rights to one of three network broadcasting companies, ABC, NBC and CBS, or their affiliates. The three networks were the only providers of "interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated television licensees in 10 or more states" (Klatell & Marcus, 1988). Klatell and Marcus (1988) described the relationship between the networks and their affiliates as one where each network is linked to affiliated licensees, or independently owned commercial television stations, that carry their programs to audiences in local areas. The networks provide about 60 percent of the stations' programming, be it sports, news or other forms of entertainment, and paid their affiliates to carry programs in which the networks' sales departments had sold commercials (Klatell & Marcus, 1988). The population of network television companies in the United states remained stable at three throughout the time period under investigation.

In the year prior to 1970, 20 percent of the networks' revenues were generated from the sale of sport broadcasts to advertisers (Klatell & Marcus, 1988). Prior to the dawn of cable networks, ABC, CBS and NBC were the only delivery system for sporting events and, as such, dominated the marketplace by signing long-term agreements with sport leagues (Klatell & Marcus, 1988). Advertisers who needed to reach audiences throughout the United States demanded sport programming and were willing to pay annual increases of between 8 and 15 percent during the 1970s to receive them (Klatell & Marcus, 1988). A struggle for control of the core product generated by the franchises ensued, however, when broadcasting was deregulated in the United States in the mid-1970s and a new population of broadcasting organizations, cable networks, emerged into the organizational field (Klatell & Marcus, 1988). The emergence of a population of new buyers of sport league and franchise products heightened competition for the games and increased the profits generated by the sport organizations. The NFL owners, for example, shared $49 million in 1970 from the sale of its broadcasting rights. By 1993, the owners of franchises in this league received $2.7 billion from their four-year contract with the three networks (Sandomir, 1993).

The emergence of a new community of cable broadcasting organizations, and their subsequent purchase of a number of professional sport franchises, had a considerable impact on the structure of this organizational field. In 1977, the year following the deregulation of cable in the United States, five cable networks existed (see Figure 3-8) (NCTA, 1997). By 1997, this number increased to 164 as a flood of basic (no charge), premium (pay cable), pay-per-view, and multi-service cable networks emerged (NCTA, 1997). These organizations were in competition with the three major networks, ABC, NBC and CBS, for the core product generated by the franchises. Sport represented a lower-cost, real-time programming option to satisfy the hours of air time the cable and network broadcasting companies generated (Klatell & Marcus, 1988). The major networks entered into expensive long-term contracts with the leagues to secure access to sport programming. The cable companies, on the other hand, began to purchase sport franchises as a means to control the core sport product. Interestingly, policies of the NFL introduced in 1960, those that governed franchise ownership and empowered the league, not the franchises, to sell broadcasting rights, prevented the outright sale of its clubs to broadcasting companies (Scully, 1995; Team Marketing Report, 1998). Among the other three leagues, however, the trend to either buy or be bought by a cable network was pervasive with companies such as News Corporation, Disney, Time Warner, Comcast, Cablevision Systems, the Tribune Company, ITT, Adelphi, and TCI each purchasing at least one professional sport franchise by 1997 (Johnson, 1997). According to Team Marketing Report (1998), as many as 17 media corporations had interests in more than 30 sport franchises in each of the four major leagues by the late 1990s.

Insert Figure 3-8 about here

The bargaining power of the franchises in relation to broadcasters, however, was mixed. On the one hand, The *Sport Broadcasting Act* that was passed by Congress in 1961 had empowered the franchises to pool their core products and sell them as bundled packages to the three broadcasting networks that existed at that time (Klatell & Marcus, 1988). On the other hand, only one league, the NFL, exploited this opportunity by centralizing the sale of its broadcasting contracts at the level of the league to leverage its monopoly power. The NBA, NHL and MLB franchise owners, by comparison, retained and exercised the right to sell broadcasting contracts in local markets (Gorman & Calhoun, 1994). Gorman and Calhoun (1994) described the subsequent saturation of the market that occurred when broadcasts were sold by both the leagues and franchises. They claimed that the number of sport television broadcasts rose from 1,777 in 1982 to 7,500 by 1990 with at least 20.5 hours of sports broadcast on various channels every day of the year. Unsurprisingly, the 1980s saw the networks profits from sports dwindle (Gorman & Calhoun, 1994). The CBS network, for example, lost an estimated $500 million dollars on its four-year contract with MLB that ended in 1993 (Gorman & Calhoun, 1994). Interestingly, the NHL pursued a regional-local broadcasting strategy that enabled franchises to sell rights fees to broadcasters in local markets while the league pursued national contracts in Canada with the Canadian Broadcasting Company (CBC) and regional cable providers such as the Entertainment & Sport Program Network (ESPN) and Sportschannel America in the United States (Cruise & Griffiths, 1991). Thus the emergence of cable broadcasting networks, and the subsequent struggle between the leagues and franchise owners for the right to sell broadcasting contracts, impacted their relationships with each other and with their buyers and suppliers.

The bargaining power of the franchises remained high given the dependence of cable and network television providers on sport broadcasts, and the credible threat of forward integration that the franchise owners represented. The dependence of broadcasters on sport programming became increasingly evident when a plethora of sport-specific cable providers emerged into the marketplace (see Figure 3-9). Companies such as ESPN, Cablevison, Home Sports Entertainment, Prime Ticket, and Prime Sports Network emerged in the late 1970s or 1980s and began to broadcast the home-teams matches in an effort to attract local sport fans away from the network's national broadcasts. According to Ivey, Welling and DeGeorge (1988, p. 66), "thanks to the new shape of the industry, these fans can zero in on the home teams they live and die for." Catering to the tastes in local communities, cable companies used sport broadcasts to penetrate local markets and compete with the networks. Consequently, the networks' ratings and advertising revenues diminished (Ivey et al., 1988). The broadcasters' rivalry for sporting events continued to increase as network and cable broadcasters sought to control major sporting events such as the Super Bowl, and playoff matches.

Insert Figure 3-9 about here

Franchise owners also represented a threat of forward integration as they began to purchase local broadcasting companies. This forward integration began in 1976 when Ted Turner, owner of the Atlanta Braves, purchased the local television station, WTBS (Business Week Staff, 1980). Capitalizing on the emergence of satellite technology, Turner expanded the capabilities of WTBS and was broadcasting the Braves, and later the Atlanta Hawks, games to over 9 million homes by 1980 (Business Week Staff, 1980). Seeking to replicate Turner's success, a host of sport franchise owners began to expand their holdings to include television. By the late 1970s, despite the expressed concerns of the NBA's commissioner O'Brien and MLB's commissioner Kuhn, twelve teams in these two leagues were linked to broadcasting companies through ownership (Business Week Staff, 1980). According to marketing consultant Matthew Levine, franchise owners were "integrating sports franchises with their other holdings - sport facilities, entertainment, programming and broadcasting - to form the 1980 version of the sports conglomerate" (Business Week Staff, 1980).

The 27 year period extending from 1970 to 1997 represented a period of tremendous upheaval in this organizational field. The producers of major league sport entertainment absorbed their rivals, thereby establishing monopolies within their sport domains. The number of broadcasting companies that purchased sport products expanded as a new population of organizations, cable broadcasting networks, emerged into this field. Changes in the balance of power among the actors resulted as cable and network broadcasters vied for access to the franchises' core product. The value of the sport franchises themselves escalated as broadcasting rights fees increased and corporate owners began to purchase the clubs to ensure access to the core product. Consequently, boundaries between these communities of organizations eroded. The suppliers of talent in the field used the rivalry between same-sport leagues and the subsequent absorption of rivals to gain free agency and enhance the players' bargaining position and, as a result, players' salaries escalated. These shifts in the structure of the field represented the turbulent environment within which new types of relationships between the actors emerged, and the beliefs and logics of action and governance mechanisms evolved.

Changes in Exchange Processes (1970 to 1997)

Changes in the structure of this organizational field encompassing professional sport leagues and franchises resulted from shifts in the number of producers of services, buyers and suppliers in this field. The bargaining power among these actors shifted as these actors sought to enhance their competitive position within this dynamic network of organizations. The *exchange processes* among actors also evolved during the three decades under study and, accordingly, contributed to the changes in this organizational field. The shifts in the degree of system coupling in this field and the multiplexity of ties between actors were used as measures of the changes in the exchange processes among actors. The following overview of the changes in the linkages among actors provides examples of the new types of relations between the leagues, franchises and their buyers and provides insight into the rationales for these changes. The discussion of the degree of system coupling in the field draws from data related to the cross-ownership of franchises to evaluate changes in the interconnectedness of the field, while indicators of shifts in the patterns of linkages among actors draws from qualitative evidence.

The *degree of system coupling* in this field evolved as the number of cross-owned franchises increased, and as boundaries between the professional sport franchises and broadcasting companies eroded. The cross-ownership of franchises offers a unique opportunity to examine the nature of connectedness between units in a network. At the outset of this study, the degree of system coupling in the field was modest. In 1970, 11 of the 95 professional sport franchises residing in the field existed under shared ownership, with three owners recognizing the synergy of owning more than one team in the same city or region. Interestingly, the number of cross-owned franchises varied during the time period under investigation (see Figure 3-10) with the number of franchises linked through shared ownership experiencing a 17 percent increase across the 27 years under investigation (see Figure 3-11).

Insert Figures 3-10 and 3-11 about here

The shifts in the degree of system coupling appear to be the result of triggers that occurred within and beyond the boundaries of the field and as a result of changes in the patterns of team ownership. The benefits of team ownership declined during the mid-1970s as legislation limiting the tax advantages of team ownership were passed (Scully, 1995), and varying degrees of free agency were achieved by the players (Quirk & Fort, 1992). Consequently, 70 franchises changed hands between 1970 and 1979 (see Table 3-3).

Insert Table 3-3 about here

In the NHL, for example, over 30 teams changed hands between 1970 and 1979 (Quirk & Fort, 1992). The NFL and MLB had the most stable ownership (Scully, 1995) with only 12 teams changing hands during this decade (Quirk & Fort, 1992). Entrepreneurs who had purchased teams in one or more leagues divested these firms and, as a result, the degree of system coupling in the field declined in the late 1970s and early 1980s. The degree of system coupling resulting from cross-ownership increased in the 1990s, however, as multinational corporations and broadcasting firms began to vertically integrate sport teams into their portfolio of media and sport holdings. By 1997, 52 public companies owned at least part of the 113 NFL, MLB, NBA or NHL franchises (Johnson, 1997). Under pressure from its owners, the NFL amended its ownership policy in 1997 to enable its owners to simultaneously own teams in the other leagues (CNNSI, 1997).

The purchase of clubs by broadcasting companies eroded the boundaries between these communities of organizations and resulted in a tightly coupled network of firms. As entertainment and media-related firms purchased sport clubs to ensure access to the core product, the degree of system coupling in this field increased. The boundaries between media companies and sport franchises were also eroded. The ABC television network, for example, was purchased by Capital Cities Broadcasting in 1985 (Klatell & Marcus, 1988), and sold again to Disney in 1995 (Oneal, Baker & Grover, 1995). Interestingly, Disney also owns the Entertainment and Sport Programming Network (ESPN) and ESPN2, ESPN News, the Arts and Entertainment cable network (A & E), the Lifetime cable television and the Disney Channel (Team Marketing Report, 1998). In 1992, Disney purchased the Mighty Ducks of Anaheim NHL franchise and, soon after, purchased 25 percent of the Anaheim Angels Major League Baseball franchise (Team Marketing Report, 1998).

The purchase of the networks by multinational corporations also affected the degree of system coupling in the field. Vertical integration by network broadcasting companies occurred, according to Oneal, Baker & Grover (1995), in anticipation of federal telecommunications legislation that would enable the networks to own more local stations. Furthermore, technological advances and growing awareness the benefits owning both the television programming and its content also increased the value of television networks to existing multinational corporations (Oneal et al., 1995). Accordingly, firms such as Disney, General Electric and Westinghouse Electric each purchased one of the three networks in the 1990s (Gleckman, Lewyn, Armstrong, 1995; Team Marketing Report, 1998).

The *multiplexity of ties* that bound the producers of services in this field to their buyers and suppliers grew stronger during the time period under study as the ideas and beliefs of their leaders changed, and as new practices and strategies were introduced into the field. Throughout the 1970s sponsorship relationships existed between the franchises and corporations from a number of different industries (Helyar, 1994; Harris, 1986; Cruise & Griffiths; Gorman & Calhoun, 1994). Organizations representing a range of product areas such as fast food, automobiles, soft drinks, and brewing, for example, had traditionally promoted their products through professional sport matches. The ability of sport franchises to attract elusive target market segments and sell the commodified audience to corporations underpinned the relationship between these actors (Jhally, 1984). Over time, however, franchise executives sought to increase the number and range of products available to corporate buyers, while the corporate buyers of sport products demanded more value-added benefits (Grimm & Lefton, 1993).

The franchises' diversification strategies and new practices such as bundling sponsorship properties emerged to accommodate the changing needs of franchises and corporate buyers. The franchises began to diversify into new product areas to penetrate corporate markets. Innovative new products, such as luxury boxes, on-field or in-ice advertising, and signage in unique areas of sport facilities such as the dasher-boards in hockey arenas, represented some of these new products. In the early 1980s, the franchises switched from selling sport products as separate items to offering them as bundled packages. This change in marketing strategy represented a catalyst for a fundamental shift in the relationship between the franchises and their corporate buyers as the bundled packages were sold to "partners" who received value-added benefits for their association with the franchises (Grimm & Lefton, 1993). In turn, the franchises began to leverage their relationships with corporate partners to promote their products, and penetrate local markets. Corporate partners' relationship responsibilities included, for example, financing and producing youth sporting activities or placing the images of athletes on their products (Grimm & Lefton, 1993). Over time, each of the leagues and franchises diversified into new product areas to attract corporate clients, and practices such as bundling became institutionalized within this organizational field (P. Hanson, personal communication, June 2, 1997).

A number of competitive advantages were available to the franchises through the strategic use of bundling. The clubs achieved economies of scale, differentiated their products from those of competitors, enhanced their opportunities for price discrimination, increased entry and mobility barriers, and mitigated rivalry among competitors. These advantages were available to the franchises as the bundled packages strengthened their associations with corporate buyers and fostered enduring, long-term relationships. The packages differentiated the franchises' marketing capabilities from those of other advertising or promotional mediums by enveloping a variety of sport properties that reached various segments of the population. The flexibility of the packages also created opportunities for the franchises to attract buyers from a range of industries and cater to their diverse needs. Bundling impacted the structure of the field by fostering stronger relationships between the producers of services and their buyers given that the amount of resources exchanged between partners increased as the value of bundled packages, and exclusive access to the athletes, escalated. The strategies of both partners also became more closely aligned and corporations began to invest in long-term promotional initiatives that were important to both partners. Finally, the franchises elected to cater to the exclusive needs of a selected group of partners thereby creating barriers to entry that prevented the leagues and rivals from gaining access to the resources of their partners.

The patterns of relationships that bound professional sport leagues to their buyers evolved during the three decades under study and as the degree of system coupling increased, and the patterns of relationships changed. The diversification strategies of the franchises together with the innovative practices introduced by the leaders increased the type, number and value of linkages that bound the franchises to their key buyers. The long-standing symbiotic relationship between sport and the media continued to evolve with both the owners of sport and broadcasting companies vertically integrating their holdings to create internally linked operations. These shifts in the patterns of relations among actors and the degree of system coupling in the field created barriers to entry that limited opportunities for new entrants to penetrate the market, and provided opportunities for the sport-media companies to leverage their investments and penetrate international markets. Yet, the changing ideas and beliefs, or institutional logics of action, of the actors in this field organizational field also evolved. As a result, the actors' views of the world shifted and, in doing so, served as a force for change in this organizational field. It is to this dimension of organizational fields, the beliefs and logics of action, that I now turn attention.

Changes in the Beliefs and Logics of Action (1970 to 1997)

The examination of the shifts in the *beliefs and logics of action* characteristic of the leaders in this organizational field uncovered variances during the time period under study. In the early 1970s, the leaders viewed their *domain* as the sport-specific collection of firms in which they were embedded. For example, the commissioner of MLB in 1970, Bowie Kuhn, believed his organization was engaged in the "baseball industry" (Johnson Spink, 1970, p. 4), while Pete Rozelle, the NFL's commissioner, described his firm's domain as the "football industry" (Townsend, 1973, p.29). Accordingly, the leaders' perceptions of their competitors, buyers and products reflected this view of the world.

By the mid-to late 1970s, however, the leaders of professional sport franchises began to conceive of their organizations as part of the entertainment firmament. This shift in the world view of the leaders represented a marked difference in the way they perceived their competitors, their buyers and their products. The league leaders viewed their competitors as all producers of entertainment products, rather than simply other sport organizations. Pete Rozelle, commissioner of the NFL, encapsulated this perspective when he stated that "football is in competition with all other forms of entertainment, whether it be the other team sports, individual sports, movies, television, ballet or opera. We're all seeking the entertainment dollar." (Shattuck, 1978, p. 1). The marketing strategies enacted by the franchises and leagues shifted accordingly as sport organizations sought to attract a wider segment of the population. The franchises' competitors were no longer limited to rival leagues, they encompassed varying forms of entertainment.

The products offered by the teams differed in two meaningful ways. First, the teams nurtured consumer relationships with fans to encourage them to purchase items such as team-promoting sportswear and equipment, publications, access to cable television sports programming, and admission to special events such as sport "fantasy camps" (Euchner, 1993). Second, the presentation of the augmented product surrounding the game itself began to shift as sport venues were increasingly viewed as entertainment destinations (Swift, 1991). The notion that sport venues were "theme parks" was initially conceived by David Stern, commissioner of the NBA. Seeking to address the performance crisis in the NBA in the early 1980s, Stern looked beyond the boundaries of sport to successful entertainment firms for solutions of the leagues' problems (Swift, 1991). Stern chose to emulate Disney given the success of this entertainment company and the perceived generalizability of that firm's marketing initiatives. When promoting a Disney-style approach to reinventing the league to its owners, Stern (Swift, 1991, p. 84) stated "They have theme parks and we have theme parks. Only we call them arenas. They have characters: Mickey Mouse, Goofy. Our characters are named Magic and Michael [Jordan]. Disney sells apparel; we sell apparel. They make home videos; we make home videos."

This innovative way of viewing their business operations was manifest in the marketing strategies of the NBA, and later the three remaining major leagues. The athletes became "stars" who were widely promoted to the fans (Swift, 1991). Gruneau and Whitson (1993) suggested the saleability of star quality underwrote the development of a system of publicity in which the presence of stars became increasingly hyped. The games became events where music, light shows, entertainers, and large-screen scoreboards dominated the atmosphere in efforts to employ "packaging and imagery", or "production values" to expand the sports beyond their traditional audiences (Gruneau & Whitson, 1993, p. 229). The leagues' marketing initiatives also shifted beyond their core sport productions to include a range of related products. According to Rick Welts, president of NBA Properties, "By marketing the sport of basketball, we have the opportunity to be in just about any business we choose." (Swift, 1991, p. 87). For example, the NBA launched its own production house, NBA Entertainment, that offered its services to Hollywood studios to assist in the development of basketball-theme movies (Jensen, 1996). These initiatives reflected a growing awareness among the leaders of professional sport organizations that sporting entertainment should be seen not only in terms of how much money they earn directly from the sale of tickets, but in term of the additional consumer activity that can be generated around them (Gruneau & Whitson, 1993).

The buyers of league and franchise products evolved accordingly to include a plethora of corporate clients as well casual spectators of the games. Euchner (1993) suggested that the leagues pursued explicit strategies of suburbanization since the 1970s. This began by targeting affluent markets in an effort to transform the teams from local to regional enterprises. This shift also involved constructing new facilities in suburban neighborhoods and focusing marketing strategies on their affluent, middle-class residents. Seeking to attract teams, this shift was widely supported by cities who provided tax incentives and funded the construction of new facilities (Euchner, 1993). The leagues' expansion strategies also reflected the contemporary logic that espoused penetrating lucrative markets. The NHL, for example, began to penetrate larger television markets in the United States in an effort to attract fans, sponsors and network broadcasters. According to Gary Bettman, commissioner of the NHL, the relocation of some teams and introduction of others were "to strategically redraw the NHL map in a way that extends the league's marketing reach." (Deacon, 1995, p. 66).

The leagues also began catering to corporate clients by positioning themselves as marketing and promotional resources to sell products, and introducing corporate hospitality facilities in their arenas and stadia. According to David Stern "We're determined to make the NBA a global marketing vehicle for global marketers, a resource that can given them anything they want: media time, promotions or consumer products as premiums" (Jensen, 1996). Amid this contemporary climate where sport's cross-marketing potential was widely recognized, promotional tie-ins involving sport franchises and their merchandise became commonplace within the field (Grimm & Lefton, 1993). The introduction of corporate hospitality facilities within sport stadia were also geared to enhancing the franchises' revenues and strengthening relations with corporate partners by creating products to satisfy their needs. New facilities with amenities such as luxury boxes, corporate dining areas and club seating enabled franchise owners to increase their stadia-generated revenues by as much as four times as compared to funds raised in older facilities without corporate amenities such as luxury suites and club seating (Ozanian, 1994). Increases in the construction of new sport facilities are evidence of this shift in the marketing strategies of the leagues and franchises (see Figure 3-12).

Insert Figure 3-12 about here

By the 1990s, a convergence in the leaders' ideas and beliefs in the area of marketing were evident across the field. The strategies enacted by each of the four leagues were strikingly similar with actors in the industry commenting on their uniformity. Rick Dudley (Pesky, 1994, p. 30), senior vice president and chief operating officer of NHL Enterprises, for example, stated that:

> There are far more similarities than there are differences between the leagues. All of the sports properties are organized such that they have the marketing and licensing rights for the league, and they are leveraged commercially across a variety of businesses, whether it's licensing, sponsorship or publishing activity. The differences are so few that none really come to mind.

In the contemporary era of sport, each of the leagues' head offices encompassed a Properties or an Enterprises division responsible for the sale of league-wide licenses, sponsorships and broadcasting rights. All four leagues enacted global marketing strategies that included Olympic Games participation, the launch of an overseas league, international television contracts, or staging matches or tournaments abroad. The leaders of the four leagues recognized the entertainment value of their sport and its leveraging opportunities with corporate clients and broadcasters. Initiatives to penetrate the children's and youth markets were also launched by all four leagues together with their corporate partners.

The similarities in the world views of the leaders of the leagues were not surprising given the transfer of professional staff among the four leagues and the league leaders' eagerness to share information and ideas. The emergence of Properties Divisions among the four leagues represents a case in point. In the early 1960s, the NFL was the first league to introduce a marketing and promotional branch that centralized control of the franchises' copyright privileges at the level of the league and worked with advertisers and sponsors to promote their sport (Harris, 1986). Similarly, MLB emulated the NFL and launched the Major League Promotions Corporation in 1968 (Helyar, 1994). The leaders of MLB, however, did not recognize the value of licensing and resisted opportunities to centralize the authority to license franchise products at the level of the league. MLB's properties arm would, however, change dramatically under the leadership of commissioner Peter Ueberroth, former head of the 1984 Olympic Games in Los Angeles, in 1984. According to Harris (1986), Commissioner Ueberroth withdrew licensing rights from the individual franchises and centralized them in Major League Properties. Under the new structure, MLB revenues from licensed products grew by 150 percent over three years (Harris, 1986). The idea of a Properties division was also diffused to the NBA in 1984, soon after David Stern became the commissioner of this league. According to Halberstam (1996), Stern garnered information pertaining to the NFL's marketing division by visiting their offices and asking how NFL Properties was organized. The NHL, by comparison, did not introduce its marketing arm, NHL Enterprises, until 1992 when Gary Bettman, former vice president of the NBA, became commissioner of this league (Gorman & Calhoun, 1994). Bettman, aware of the potential of a marketing division given his experience with the basketball league, looked to the other leagues when seeking a leader for the fledgling NHL enterprises and eventually hired an individual with 10 years of experience in MLB and the NFL (Cohen, 1994). By the early 1990s, each of the four leagues housed a marketing division in their head office and centralized licensing rights within this body.

The league leaders' ideas and beliefs pertaining to their *principles of organizing* also reflected an attitudinal shift by these individuals in the contemporary era. The traditional authority of the leagues to dictate the terms of its relationships with the franchises shifted as a result of the franchises' continued challenges to the leagues' control in antitrust court. This change was evidenced by the leagues' reduced ability to limit franchise movement, to halt the sale of players, and to dictate the terms of expansion (Quirk & Fort, 1992). Despite the erosion of the leagues' authority in these areas, the power and influence of these bodies increased in other key elements of their operations by the mid-to late-1990s. The leagues expanded their role by introducing innovative branches of their head offices such as Team Services departments and Properties Divisions. These departments empowered the leagues in the areas of marketing, league management, and growth by enabling them to control the diffusion of information across franchises, by increasing their role in the generation of revenue through merchandising and national and international marketing initiatives, and by controlling relationships with corporate sponsors and broadcasters.

The Team Services departments introduced into the NBA, NHL and MLB in the 1980s and 1990s exemplify the leaders' contemporary beliefs that cooperative rather than competitive ways to organize their operations were needed. Initially, a Team Services department was introduced by the NBA's commissioner David Stern to facilitate the diffusion of best practices among franchises and foster cohesion among the clubs (Swift, 1991). This role expanded, however, as the need to provide opportunities for club executives to meet and to provide a resource library of information became apparent (P. Hanson, personal communication, June 2, 1997). The scope of responsibilities for this department in the NBA also included producing a newsletter and providing opportunities for the teams to increase their revenue streams (P. Hanson, personal communication, June 2, 1997). By 1997, the NHL and MLB created a similar department in their organizations (B. Gamgort, personal communication, May 23, 1997). The NFL's structure and "League Think" philosophy, by comparison, served a similar role as the Team Services department and thus reduced the need for such a branch in this league.

The leagues also enhanced the role of their Properties Divisions, the marketing arms of the head-office organizations. These divisions consolidated their licensing activities which were previously contracted-out to the Licensing Corporation of America (B. Gamgort, personal communication, May 23, 1997), diversified into new product areas such as highlight videos and video games (Bittman, 1985), began to penetrate international markets by selling merchandise overseas and situating offices in Europe, Japan, South America (Bittman, 1985), and worked to strengthen relationships with corporate sponsors by selling league-wide sponsorship packages together with television advertising (Grimm & Lefton, 1993). Initiatives such as the Team Services departments and those related to the Properties Divisions of the leagues facilitated the transfer of power from the franchises to the leagues in key strategic areas such as marketing and growth. These branches also exemplified the leaders' new ways of looking at how best to organize their business and divide various facets of their operations between the league head offices and their member clubs.

The *criteria of effectiveness* employed by the league and franchise leaders evolved as new or enhanced revenue sources became available and as innovative exchange relationships emerged among bargaining partners. In the 1970s, attendance at games and revenues generated by the sale of tickets at the gate that were the primary gauges used by the leagues and clubs to evaluate their firms' success. By 1997, however, the leaders looked to varying sources to assess the effectiveness of their organizations. The interview data suggested that the leaders in the contemporary era considered a number of different criteria including: 1) attendance at matches, 2) television ratings, 3) revenue generated from the sale of television contracts and corporate sponsorships, 4) the sale of merchandise and licensed products, 5) the satisfaction of corporate partners with their league and franchise associations, 6) stable labor relations, and 7) the value of sport franchises within their particular league.

The shift in the league and franchise owners ideas pertaining to their firms' criteria of effectiveness demonstrate their growing awareness of the importance of their relationships with key bargaining partners. For example, television ratings were employed by broadcasters to assess the cost of advertisements (Klatell & Marcus, 1988) yet this gauge also influenced the value of sport contracts purchased by television companies. Accordingly, as the sport organizations' dependence upon broadcasters increased together with the revenues from these sources, the leaders of professional sport organizations beliefs pertaining to the importance of this measure of success changed. Furthermore, the leaders' beliefs pertaining to the value of their linkages with corporate sponsors also evolved and were encompassed within their criteria of effectiveness as their linkages with these buyers increased in strength and number.

Changes in Governance Structures (1970 to 1997)

The transformation of the *governance mechanisms* in this field involved shifts at the league- market- and state-levels of analysis. Struggles among actors, in particular the franchises and the leagues, contributed to the erosion of league-level governance mechanisms during the time period under study. The historical account of the evolution of the governance mechanisms in this field begins with a discussion of the shifts in the institutionalized governance arrangements that historically centralized power and control over the franchises at the level of the league. Next, the franchises' struggle to enhance the terms of their economic exchanges with their key buyers - broadcasters and corporate sponsors will be explored. Finally, this section of the paper is concluded by a discussion of the role of the state in shaping the transformation of governance mechanisms in this organizational field. Lindberg et al.'s (1991) dimensions of degree of formal integration and range of interaction were employed to frame this discussion of the transformation of governance mechanisms in this organizational field.

The *leagues' internal governance mechanisms*, their constitutions, by-laws and policies, evolved during the time period under study. Historically, the leagues' constitutions specified the nature of the relations between the franchises and the players, between the owners and the leagues, and among the owners themselves (Euchner, 1993; Scully, 1987; Davis, 1974). Over time, however, the power of the leagues to control the terms of exchange among the franchises and between the franchises and their buyers and suppliers deteriorated as a result of numerous challenges raised by the franchise, the key buyers of league and franchise products, and the players' associations (Quirk & Fort, 1992). The policy map (see Table 3-1) provides an overview of the 39 landmark court decisions that contributed to the erosion of the leagues' ability to govern exchange relations among their member franchises and their buyers and suppliers of services between 1970 and 1997. These court cases reduced the power of the leagues to restrict franchise movement (Quirk & Fort, 1992), to dictate the terms of the players' employment (Quirk & Fort, 1992), and to blackout matches broadcast to local markets on television (Klatell & Marcus, 1988). The cumulative results of the numerous challenges in antitrust court was the reduction of the power and control of the leagues to dictate the terms of exchange among the various actors in the field. The struggles between the league head offices and the franchise owners, and between the leagues and the players' associations, for the power to control the terms of exchange profoundly affected the capacity of the leagues to ensure that parity among their member franchises was maintained, and the competitive balance among teams on the ice, field, court or diamond were not compromised.

The leagues, despite loss of power in areas traditionally under their jurisdiction, did seek to assert their authority to maintain control over key aspects of their operations. The leagues sought to assert control in two key areas that included league parity and marketing. A central concern of the league commissioners throughout this period of challenges to their traditional governance systems was the competitive balance among the franchises. In particular, league leaders were concerned about the disparity between large- and small-market franchises' ability to generate revenue from broadcasting, the sale of tickets to spectators, and the sale of sponsorship properties to corporate buyers. The purchase of sport franchises by multidivisional entertainment companies, for example, upset the balance of power given these organizations' increased access to resources to purchase players, to construct new facilities, and/or to realize the synergies and economies of owning one or more sport teams together with their playing facility or broadcasting outlet. The creation of new products to cater to corporate partners also created disparity among franchises with products such as luxury boxes, for example, outside the traditional revenue-sharing formulas established by the leagues.

To address these challenges to league-wide parity, the four league leaders implemented a variety of strategies to achieve balance within their leagues. These strategies included: 1) negotiation of a players' salary cap, 2) introduction of equalization payments for small-market teams, 3) introduction of a "Team Services" department to share and standardize the successful practices among franchises, and 4) the creation of new products with the equal distribution of revenues from them among all franchises. These initiatives provided varying degrees of success when addressing the disparity among franchises. They did, however, enable the leagues to assert their authority in the area of marketing, by creating and controlling league-wide sales and promotional initiatives, and through the team services departments (Swift, 1991). The evolution of the governance mechanisms at the league level resulted from actors challenges to the traditional authority of the leagues to govern crucial aspects of the franchises', the players' and the buyers' operations. Over time, the ability of the leagues to control virtually every aspect of their cartel's interaction with buyers and suppliers dissipated, and were replaced by other means to assert their authority among member franchises.

Governance mechanisms at the level of the league, however, were not the only ones to shift during the time period under study. The *market-level governance mechanisms* regulating interaction among the cast of actors in this field also evolved. Historically, the economic interaction between the franchises and their buyers - the public, the broadcasters and the corporate sponsors - reflected many of the governance mechanisms characteristics of what Lindberg et al. (1991) labeled *markets*. Exchanges among actors in this type of economic governance regime were arms-length relationships that were informally organized and where firms remained autonomous (Lindberg et al., 1991). In the 1970s, the degree of formal integration between the franchises and, for example, broadcasters and corporate sponsors, was limited, with the franchises simply selling to the highest bidder with minimal expectation of further interaction following the transaction (Klatell & Marcus, 1988). Yet, the market governance regime of this decade evolved as corporations, primarily entertainment companies, began to purchase sport franchises. According to

Euchner (1993) this shift in ownership and subsequent integration of sport franchises into conglomerates was one of the most important trends in sport during this decade.

The owners of professional sport teams in the 1970s were, for the most part, wealthy individuals from a variety of industries (Euchner, 1993; Quirk & Fort, 1992). These entrepreneurs were from industries such as brewing, real estate, automobile manufacturing or fast food restaurants (Quirk & Fort, 1992; Euchner, 1993). During this decade, the exchange relations between the producers of services and their broadcasting and corporate buyers were guided by price with the highest bidder winning broadcasting and sponsorships contracts (Klatell & Marcus, 1988). The ownership of sport franchises began to shift, however, from "mom-and-pop and family-run operations motivated by civic pride and public relations" to "savvy broadcasting- and entertainment-sensitive businessmen eager to reap the riches that only a monopoly enterprise can ensure" (Business Week staff, 1980, p. 146). Profit emerged as a primary reason for purchasing a franchise, as compared to the tax benefits that attracted club owners in the 1970s (Business Week staff, 1980).

New types of owners were attracted to major league sport clubs because of the increasing value of broadcasting contracts, the growing acceptance of pay television, the guaranteed increases in franchise values created by the cartel structure, and because of the extraordinary treatment of professional sport clubs by state and municipal governments (Business Week Staff, 1980; Euchner, 1993). The emergence of widespread awareness of leveraging opportunities available through franchise ownership also attracted corporate buyers. By linking their interests in one or more sport franchises with their other entertainment properties or broadcasting companies, corporations were able to create an "internally linked operation (ILO)" (Business Week Staff, 1980, p. 148). The rationale for ILOs were realized by owners such as Ted Turner, of the Atlanta Braves (MLB) and the Atlanta Hawks (NBA). Turner viewed these two teams, according to Business Week Staff (1980), as products to fill time on his television station, WTBS.

The 1980s were a period of dramatic change in the ownership of professional sport franchises and, by the end of the decade, few family owned clubs remained (Scully, 1989). A review of the changes in ownership of major league baseball franchises, for example, indicated that 14 of 26 teams changed hands in the 1980s (see Table 3-3), with three clubs purchased more than once (Quirk & Fort, 1992). Broadcasters were among the new corporate entities that purchased major league professional sport teams. The clubs not only provided sources of programming for broadcast owners, they facilitated the development of a loyal advertising audience (Scully, 1989). The integration of major league baseball by broadcasting companies provides compelling example of increases in the degree of formal integration in this organizational field. In 1985, broadcasting and cable companies had a direct stake in five major league baseball franchises (Symonds, et al., 1985). By 1987, almost half of the clubs in major league baseball were owned or associated with broadcasters or major corporate advertisers (Scully, 1989).

The emergence of multi-divisional corporations that owned sport franchises and broadcast their matches on cable and network television also benefited the corporate sponsors of the leagues and franchises and contributed to shifts in the mechanisms that governed transactions among actors in the field. In particular, the range of interaction among actors was enhanced as major corporations that traditionally purchased millions of dollars in league properties and media advertising began requesting value-added initiatives and opportunities to cross-promote their products (Grimm & Lefton, 1993). Grimm and Lefton (1993) suggested that the new practice of selling league sponsorships together with network advertisements began in the 1989-1990 season with the NBA and NBC. This arrangement was enhanced when the NBA and NBC entered into a strategic alliance involving a revenue-sharing arrangement where the partners would share the $1 billion in anticipated advertising revenue (Grimm & Lefton, 1993). This type of relationship, and the practice of bundling sport and broadcasting properties into packages, were also adopted by the NFL, NHL and MLB in the early 1990s (Grimm & Lefton, 1993; Lefton, 1993). These types of long-term relationships increased the range of interaction among actors in this organizational field (Lindberg, et al., 1991).

The obligational networks that emerged from practices such as these represent a significant deviation from the market exchanges that characterized relations between leagues, franchises and their corporate buyers in the 1970s. These obligational networks provided the producers of services as well as their buyers with stability by securing longer-term access to valued resources amid a fast-changing climate. Thus, the classical contracting relationships between the franchises and buyers of broadcasting and sponsorship rights began to evolve in the 1980s as teams were vertically integrated into media and entertainment conglomerates, and the strength and duration of relations between franchises and corporate buyers evolved with the introduction of new practices such as revenue sharing and bundling. By the end of the 1980s, the market contracting system of governance among autonomous exchange partners that characterized the 1970s were, for the most part, replaced by hierarchical structures that ensured control of the franchises by media and entertainment companies.

The shift from a market to hierarchies governance regime in sport was not, however, without its struggles. While the NBA, NHL and MLB had accepted corporate ownership of franchises, the NFL's long-standing policy of restricting corporate interest in clubs remained unchanged until 1993. In this year, according to Reingold (1993), the NFL's owners voted 27 to 0 to amend the NFL's charter regarding corporate ownership. By 1997, teams that were integrated into privately held corporations were permitted in the NFL on the condition that they were held separately through a holding company (Reingold, 1993). This change enabled corporate owners to deduct team losses from other corporate holdings, as well as through a consolidated tax return.

The discussion of the transformation of the governance regimes in this field thus far has focused upon the leagues' governance mechanisms, and the field's shift from a market style of regime to a hierarchical one. *The state*, however, also played a significant role in the transformation of governance regimes in this organizational field. According to Lindberg et al. (1991) the state serves as a portal with the courts acting as a gate-keeping mechanism that determines the effects that actors residing beyond the boundaries of the sector, or field, have on governance. The state is also empowered to facilitate or inhibit the exchanges among actors and, consequently, shape the forms of governance that emerge in a sector or field. Lindberg et al. (1991) suggested that antitrust legislation has been used by Congress to limit collective action among firms in the same industry. Such was the case in the organizational field encompassing North American professional sport leagues where the state played an active role, through antitrust court, in shaping the governance mechanisms that evolved and the types of economic interaction chosen by the producers of services and their buyers and suppliers.

In particular, the organizational field was transformed by legislation that initially exempted the leagues from antitrust laws. While some of the Acts that shaped the choices of actors between 1970 and 1997 were passed before the time period under study, they warrant mention given their role in shaping exchange relations between the actors in this organizational field. Among the most important court decisions to influence the sport leagues was the 1922 Supreme Court ruling that exempted Major League Baseball from the *Sherman Antitrust Act*. This exemption, which was challenged repeatedly by the owners of major league baseball franchises and the MLBPA since its passage, was rescinded in 1998. However, the 1957 ruling in the case *Radovich v. National Football League* stated that the NFL, and consequently the NBA and NHL, did not share baseball's exemption from the Sherman Antitrust Act (Rosenbaum, 1987). The commonly held belief among league and franchise leaders prior to this ruling was that the four leagues shared MLB's exemption from the Sherman Antitrust Act. This landmark ruling served as a watershed for the plethora of lawsuits in the 1970s and early 1980s that were filed by the franchises and the players' associations to increase their control over the core product and the revenues it generated. According to Roberts (1984), the courts were used as a mechanism to second-guess league governance structures.

Two additional pieces of legislation that were passed before 1970 profoundly shaped the nature of the exchange relationships among actors in the field. These were the Sport Broadcasting Act of 1961 and the Football Merger Act of 1966. The *Sport Broadcasting Act* enabled sport franchises to bargain with broadcasters as a single entity. This Act represents one such piece of legislation that shaped relations among the producers and buyers in this field (Quirk & Fort, 1992). The *Football Merger Act* also represents a piece of legislation that profoundly influenced the number of producers of services in this organizational field by limiting competition among same-sport leagues. During the time period under study, a series of antitrust court cases, each involving one of the leagues under study, contributed to the erosion or dismissal of the players' reserve clause. The challenges to the leagues' reserve clause, the long-standing element of the leagues' constitutions and by-laws and the primary means used by the owners to control the suppliers of services in this field, represents one area of exchange among actors that was mitigated in antitrust court (Quirk & Fort, 1992; Greenhouse, 1996).

The analysis of the transformation of the governance regimes in this organizational field revealed changes in the positions of power held by the communities of actors, the producers, buyers and suppliers, as well as shifts in the types of economic exchanges employed by these actors. Identified in this analysis were two governance regimes that existed during the time period under study that were differentiated by the 1) degree of formal integration among actors, 2) the range of interaction among actors, and 3) the power held by various actors at given points in time. In the 1970s, the governance regime was characterized with a low degree of formal integration among actors with informal types of interorganizational interactions existing in the organizational field. During this time, the arms-length interactions among producers and buyers were limited to the term of the contract with little expectation of future interaction by either party. The range of interaction among actors in the field was also limited with exchanges typically involving just a few members of the field at a time. The actors that dominated the field during the first regime were the leagues and franchise owners. These two communities of actors dictated the terms of exchange in their relations with their buyers, the broadcasters and corporate sponsors, and with their suppliers of talent, the players' associations. For example, the players' capacity to dictate the terms of their employment was quite limited during the first regime, with the reserve clause restricting their ability to sell their services on the open market.

The contemporary regime that evolved in the 1980s and 1990s differs to a large extent from that of the 1970s. The degree of formal integration is high within corporations, such as broadcasting companies, horizontally and vertically integrating sport franchises into their national or multinational conglomerates. The range of interaction among actors in the field also increased as the actors' collective behavior was enhanced and the exchange relationships involved several members of the field simultaneously. As a result of the numerous challenges to the leagues' authority in antitrust court, their power was eroded. The owners of franchises won landmark cases that enabled them to assert their power and control over the distribution of the core product. Interestingly, the owners of franchises during this regime were primarily corporations, rather than the individuals or families that typified the owners of professional sport clubs during the first governance regime. The players' associations also used antitrust court to resolved their struggles with the leagues and franchise owners for the power to negotiate the terms of their employment. While the players' power to dictate the terms of their exchange relationships was limited in the 1970s, the court rulings that quashed the reserve clause and granted various degrees of free agency to the players was a hallmark of the second regime. Throughout the time period under study, the state played a significant role in shaping the nature of the governance mechanisms chosen by the actors in the field. In particular, the Sherman Antitrust Act served as a mechanism to define and redefine the rules of the game.

Thus, change in the governance structures in this organizational field can be attributed to the formal legal structures and informal systems of normative control that shifted as state officials and professionals in the field sought new ways to ensure adequate exchange relations among actors. The regulatory system, in particular the Sherman Antitrust Act and the courts that applied it, contributed to shifts as the legal constructs as they were defined and redefined interactively during the time period under study.

Discussion

The detailed account of the transformation of each of the four dimensions of the organizational field presented above enhances our understanding of the events that transpired during the time period under study. Furthermore, insight into the nature and scope of the changes that occurred in the various aspects of this field were garnered. However, the interplay among the dimensions of this field have yet to be explored. The interdependence among the facets of organizational fields have been discussed in the literature with Abrahamson and Fombrun (1994), for example, discussing the relationships between a network of firms connected by value-added linkages and the emergence of a uniform set of beliefs among actors. Scott et al. (forthcoming) examined the relationship between the changing cast of actors in an organizational field and its evolving institutional logics of action. These theorists also discussed the role of a field's exchange processes and governance mechanisms in the evolution of the beliefs and logics of action of actors. Finally, Lindberg et al. (1991) provided evidence of the interplay between a field's state-level governance mechanisms and the types of market-level exchange processes chosen by industrial actors. The scholars exploring the interplay between two or more dimensions of an organizational field have awakened us to the dynamic nature of change at this level of analysis. In discussing the interdependence between and among the four dimensions of the organizational field encompassing North American professional sport leagues, my goal is to build upon these insights and to demonstrate the multi-faceted nature of change involving all four dimensions of this particular organizational field. It is to this discussion of the interplay among these four dimensions that I now turn.

Understanding the interplay between and among the dimensions of a field involves capturing the ways in which shifts in each of the dimensions shape and are shaped by changes in one or another elements within the field as well as those beyond its boundaries (Scott et al., forthcoming). The results of this study furnish evidence that not only were the four dimensions of the field interwoven during its structuration as the literature would suggest, but that some interesting insights into factors precipitating change were also at work. First, it appears that while shifts in each of the four aspects of the field under examination contributed to its transformation, the changes in the leaders' beliefs appeared to underpinn subsequent changes in the field. The ongoing evolution of this field involved a sequence of interrelated events encompassing each of the four dimensions of the field yet contemporary views of actors in the field served as catalysts for shifts in the remaining areas of the field. Second, trigger events launched from within the boundaries of the field and beyond its confines also impacted the dimensions of the field. Finally, the results provide evidence that no one dimension was immune from trigger events arising from within and beyond the perimeter of the field.

The sequence of change among the four dimensions of the field is difficult to isolate given the interplay among the four aspects of the field under investigation. However, the evidence suggests that the new beliefs of the actors in the field, that is the league and franchise leaders, the players, and the broadcasters, served as mechanisms that ignited a dynamic process of change that encompassed each aspect of the field. The data from this research provide examples of this process. For instance, the changing world views of the athletes initiated challenges to the traditional power and authority of the leagues. The new beliefs of league and franchise leaders facilitated the introduction of new marketing practices such as bundling. The broadcasters' beliefs and perceptions regarding the importance of sport to achieving their strategic objectives facilitated more proximal relationships between these actors and, in some cases, the vertical integration of sport franchises by these firms. These examples provide evidence that the governance mechanisms and exchange processes in the field were employed by these actors to achieve their goals following a shift in their ideas and beliefs. It appears that the governance structures and the relationships among actors emerged as instruments that both embodied the beliefs of actors and were used by them to achieve their goals. While it is possible, according to Scott et al. (forthcoming), for institutional belief systems to lag behind state- and market-level governance mechanisms, changing logics may precede shifts in these dimensions as they are more fluid than the codified rule systems they produce.

Second, the role of trigger events as catalysts facilitating the transformation of this field also warrant discussion. Events initiated from within the field, such as the quashing of the reserve clause in players' contracts or the absorption of rival leagues, and those generated from beyond its boundaries, as in the deregulation of cable broadcasting, had a considerable impact upon this organizational field. The role of trigger events facilitating revolutionary change at the organization level of analysis have been highlighted (Miller & Friesen, 1980). Yet, it appears that catalysts initiating change may also occur at the organizational field level of analysis when events of such magnitude transpire that one or more dimensions of a field are altered. In this study, the presence of trigger events occurring within or beyond the field lends insight into our understanding of the transformation of this field. For example events occurring within the field, such as the challenges to traditional governance mechanisms raised by the owners and players, facilitated changes in each of the four dimensions. Trigger events from beyond the field's boundaries, more specifically the rise of cable broadcasting networks also contributed to changes in the field's exchange processes, the collective beliefs of actors and the governance mechanisms each affecting and being effected by this change. Technological advances also served as triggers for change by creating new strategic opportunities for actors. The onset of satellite technology and digital communications represent two such advances that influenced the nature of business operations, the interorganizational relationships among actors and the governance structures of this organizational field.

Finally, evidence that the four dimensions in this organizational field were not immune to change was also uncovered in this research. Shifts in each of the four dimensions of the field resulted as trigger events arising from both within and beyond its perimeter arose. The following explores how each of the four dimensions of the organizational field encompassing North American professional sport leagues and franchises were impacted by events launched from with and beyond the field's boundary. The deregulation of cable broadcasting in the United States represented a shift from which no dimension in this organizational field was immune. This event facilitated the emergence of a new community of actors into the field, and the subsequent vertical integration of sport franchises by cable broadcasting networks. The types of exchange processes employed by actors in this field both contributed to and were effected by the emergence of new actors and the erosion of boundaries between them. It appears that the introduction of new actors upset traditional transaction relationships among bargaining partners. Consequently, the type, number and strength of exchange relationships in the field shifted as competition intensified and as challenges to traditional governance structures were raised. In their study of the field of medical care operations, Scott et al. (forthcoming) found that following a change in the type and number of communities in a field, the boundaries among firms became blurred as firms sought to diversify their operations. The result was the emergence of multi-divisional corporations that were engaged in a variety of business interests. Similarly in the field encompassing professional sport organizations, the cast of actors sought more proximal forms of linkages, such as strategic alliances, partnerships, joint ventures and vertical integration to enhance the range and quality of products and services offered to a diverse set of clients to enhance their competitive position. It appears that increased competition and growing uncertainty in the field resulting from the emergence of new actors necessitated the adoption of new forms of exchange processes by actors.

The collective beliefs of actors were also not immune from the effects of changes in the field such as the emergence of a new community of cable broadcasting networks. Scott et al. (forthcoming) suggested that existing actors in a field often adhere to logics predominant at the time of their entrance. By comparison, recent entrants are more likely to espouse new logics or dispute existing logics than older individuals and firms. New entrants into the field under examination appear to have introduced a logic focused upon the corporate interests of national and multi-national firms. Communities of actors such as cable broadcasting companies, corporate buyers of sport franchises, and individual executives recruited from beyond the boundaries of professional sport each contributed to the introduction of new ideas into the organizational field and the emergence of a widely held belief system among actors. These new entrants facilitated shifts in the league and franchise leaders' perceptions of their firms' domain, criteria of effectiveness and principles of organizing as new ideas were introduced and experimentation by peripheral firms increased. It appears that different types of actors situated formally outside the field penetrated its boundaries and mobilized their efforts to become significant players. Fringe players or new organizations in a field have the potential to transform a field by introducing new conventions which, when institutionalized, erode the relevance of previously core resources (Leblebici et al., 1991). The changing beliefs and logics of action of the league and franchise leaders were also manifest in the types of exchange processes they selected. The actors' increasing awareness that they were engaged in a common enterprise was demonstrated by the propensity of the leaders to enter into relationships that encompassed revenue-sharing arrangements between bargaining partners. DiMaggio and Powell (1983) suggested that actors' awareness of their common enterprise is a reflection of the increased structuration of a field.

Furthermore, the evidence suggests that shifts in exchange processes in the field also contributed to the evolution of the beliefs and logics of action of actors. For example, the heightened degree of system coupling, evidenced by the increased number of cross-owned franchises, facilitated the diffusion of ideas and practices throughout this community of organizations. Corporate or financial interlocks, such as the leagues' boards of governors that were linked through the cross-ownership of franchises, represent reciprocal relationships that facilitate information sharing among linked organizations (Oliver, 1990). Accordingly, interlocking firms contribute to the emergence of a cohesive, mutually reinforcing, and highly integrated industrial group (Oliver, 1990). Increased interaction among bargaining partners exposes them to similar sets of attributes that they must interpret (Abrahamson & Fombrun, 1994). Thus the emerging patterns of transaction relationships among the leagues and franchises and their key buyers also contributed to the homogeneity of the leaders' ideas beliefs that eventuated. Apparently the tight coupling in the contemporary organizational field contributed to the uniformity in the leaders' ideas and beliefs as the cross-ownership of franchises facilitated the diffusion of ideas across the leagues. The multiplexity of ties, in the form of stronger linkages such as partnerships, strategic alliances and joint ventures, also contributed to the converging beliefs of actors in the field. Field density has been associated with the homogeneity of ideas and beliefs among industry leaders (Abrahamson & Fombrun, 1994; Porac et al., 1989). The growing uniformity of ideas and beliefs among actors may have resulted from the firms' embeddedness in value-added networks which tend to restrict top managers' attention to a fixed set of bargaining partners and to an established way of competing within an industry (Abrahamson & Fombrun, 1994; Porac, Thomas & Baden-Fuller, 1989; Porac, Thomas, Wilson, Paton & Kanfer, 1995).

Finally, the fourth dimension in this field, the governance mechanisms, was also not immune from the emergence of new actors. In the field of professional sport leagues and franchises, new actors, such as corporate buyers of sport franchises who often owned cable companies, raised challenges to the traditional institutionalized systems of power and control that were prevalent in the field. These struggles, often mitigated in antitrust court, represented the means employed by the new entrants into this field to obtain greater access to resources. Furthermore, shifts in governance mechanisms occurring beyond the boundaries of this organizational field also had a considerable impact on its existing communities of actors. According to Lindberg et al. (1991) when actors struggle for resources and challenge traditional means of governing relationships among them, new types of market-level exchanges arise.

This study also found evidence of the erosion of the institutions that governed economic activity in this organizational field, and emergence of a contemporary governance regime that emphasized the collective well-being of the actors in the field. Governance mechanisms at the league- market- and state-levels of analysis shifted as the field's overall logic evolved, as new actors entered the field, as the exchange processes among firms shifted, and as the actors' awareness of others increased. While these changes in the various dimension in this field resulted in struggles among its actors, the process that unfolded highlights the interdependent nature of the four dimensions. At the outset of this study, institutionally determined rules guided economic interactions among actors in the field. The league constitutions and by-laws specified the nature of the exchange processes between the leagues and franchises and their buyers and suppliers. These rules of the game were challenged, however, as the deregulation of cable broadcasting networks and the absorption of rival leagues served as trigger events that altered the structure of this organizational field, and the balance of power among its actors.

These events, coupled with the growing awareness of the players' associations and the franchise owners that more equitable transaction relationships among actors were needed, contributed to the series of challenges to the leagues' traditional authority that were subsequently raised. It appears that the institutional arrangements in this field undermine the allocation of resources to all actors and, as a result, the actors began seeking alternative governance arrangements. As a result actors searched, in both cooperative and conflictive ways, for what they believed were more equitable ways to organize economic interactions among actors in the field. This type of collective struggle is, according to Lindberg et al. (1991), representative of the ways governance regimes evolve over time. These theorists suggested that governance transformations occur when actors, who are unable to manage their problems of interdependence satisfactorily, search for institutional alternatives. In particular, transformations are likely to occur when actors are unable to acquire the resources they want and when they cannot satisfactorily control the terms of exchange.

Exploring the interdependent nature of the four dimensions of the organizational field encompassing North American professional sport leagues provided insight into the dynamic nature of change at this level of analysis. Events in the various dimensions under examination have been shown to impact and be impacted by shifts in the remaining parts of the field. The various dimensions of fields represent a matrix of interrelated factors that contributed to its ongoing evolution. By encompassing each of these elements of a field within one framework for examination, the dynamic nature of the transformation process becomes evident. The interacting forces that constrain and enable change in the actors, their exchange relationships, their beliefs and logics of action, and their governance structures have the potential to affect the field as a whole as the essence of these dimensions are produced and reproduced over time.

Summary and Conclusion

Change at the organizational field level of analysis is a dynamic process that encompasses shifts in their various dimensions and levels of analysis over time. These components of field-level change are not discrete aspects of the change process that evolve in isolation from one another. On the contrary, change in one or more dimension or levels of organizational fields have the potential to alter their remaining elements. The purpose of this study was to provide a detailed event history of the shifts in four dimensions of one organizational field and demonstrate the interplay among these dimensions. Evidence of the interdependence among the four key constructs of the field encompassing North American professional sport leagues unfolded as the impacts of change in one dimension of this field upon the remaining dimensions were examined. It was found that no dimension dominated the others. Furthermore, the role of trigger events initiated from within and outside of the field have the potential to create a ripple effect that touched one or more dimensions of the field. Technological innovations also served as a trigger for change in this particular organizational field.

Historical case studies, such as the one presented here, provide a unique opportunity to explore shifts within the various aspects of organizational fields. By encompassing structural, relational, cognitive, and regulative aspects of a field within this study, the dynamic nature of the transformation process at this level of analysis was highlighted. Furthermore, the importance of considering the results of changes on the individuals and organizations within a field were also evident as shifts in the leadership of firms and the emergence of new organizations in to the field were considered. Shifts at these levels of analyses affected the ideas and beliefs of the league and franchise leaders, as well as the collective world view of actors embedded in this organizational field.

This research offers a contribution to professional sport organizations abroad. Insight into the process of evolution of this field encompassing North American professional sport organizations is of particular value to the leagues, players and broadcasting companies in countries such as Australia and in Europe. For example, cable broadcasting is currently emerging in Australia and, as a result, the leaders of professional sport organizations and their players associations are currently jockeying for equitable shares of the new broadcasting resources on the horizon. Understanding the events that transpired in North America, the strategies employed by sport organizations to generate revenue and establish partnerships with broadcasting companies, as well as the advantages and disadvantages of evolving exchange processes and governance mechanisms promises to inform decision making by actors in the Australian and European contexts.

In summary, the value of employing a multi-dimensional framework of analysis, such as the ones proposed by Scott et al. (forthcoming) and Hellgren et al. (1993), cannot be understated. The dynamics of field-level change is encompassed within the many facets of organizational fields. Limiting examinations at this level of analysis to discrete aspects of the change process promises to provide only a bounded perspective of the unfolding process of change, and the ongoing structuration of a field. Given this, research that is reflective of the processual nature of change, and that consider the impact of shifts across various dimensions, provide a holistic approach that reveal the dynamic nature of transformations at the organizational field level of analysis.

The first paper of this dissertation demonstrated that change does occur in organizational fields. Evidence of wide-spread shifts in each of the four dimensions of the field encompassing North American professional sport franchises was highlighted when this field was compared at two intervals in time, 1970 and 1997. The interplay among the four dimensions of the field were then explored in the second paper that considered the event history of the field and the interdependence among its communities of actors, exchange processes, beliefs and logics of action, and governance mechanisms. By extension, the next paper explores the shifts in the institutional logics of action in this field by identifying two dominant eras that existed during the time period under study. The sources of the new ideas that emerged into the field will be explored together with the factors that contributed to the erosion of the previously held collective beliefs of actors and the institutionalization of a contemporary set of beliefs and logics of action.

Table 3-1: Policy Map of Landmark Cases in the Field (1922-1997)

1922	1934	1949	1953	1957
Federal League Baseball Club of Baltimore v. National League of Professional Baseball Clubs. Supreme Court rules that MLB is exempt from the Sherman Act (Quirk & Fort, 1992, p. 185)	**Federal Communications Act.** Creates the Federal Communications Commission (FCC) to manage the airwaves (Klatell & Marcus, 1988)	**Gardella v. Chandler.** Gardella sued MLB under Sherman Act for damages suffered when he was blacklisted by commissioner Chandler for jumping contracts to play in the Mexican League. The suit was dismissed based on the 1922 exemption. Later settled out of court (Quirk & Fort, 1992, p. 188)	**United States v. NFL** (1953). Prohibited the NFL from signing a league-wide contract with any TV network (Quirk & Fort, 1992, p. 348) **Toolson v. New York Yankees** (1953). Upheld baseball's antitrust exemption (Quirk & Fort, 1992, p. 189)	**Radovich v. NFL** (1957). Ruling that the NFL does not share baseball's exemption from antitrust (Quirk & Fort, 1992, p. 189)

Table 3-1: Policy Map of Landmark Cases in the Field (Cont'd)

1961	1966	1972	1973	1974
Sports Broadcasting Act. Enables NFL to bargain with broadcasters as a single unit. (Klatell & Marcus, 1988, p. 72)	**State v. Milwaukee Braves, Inc.** (1966). Baseball's antitrust exemption applied to state as well as Federal laws (Quirk & Fort, 1992, p. 191) **Football Merger Act.** NFL & AFL given antitrust exemption to merge (Klatell & Marcus, 1988)	**Philadelphia World Hockey Club v. Philadelphia Hockey Club, Inc.** (1972) First antitrust case involving hockey. One of seven cases involving the signing of NHL players by WHA clubs. Judge ruled that the reserve clause had never been subject to bona fide good faith collective bargaining (Quirk & Fort, 1992, p. 206) **Flood v. Kuhn** Supreme Court supports MLB's 1922 exemption from antitrust law. Judge states that it must be remedied by Congress (Quirk & Fort, 1992, p. 193)	**Anti-Blackout Legislation.** Declared that all four leagues must lift network blackouts of games (Klatell & Marcus, 1988, p. 82)	**Levin v. NBA.** (1974)Potential owners bring antitrust suit against NBA for blackballing them as owners. Suit thrown out of court (Quirk & Fort, 1992, p. 45) **Kapp v. NFL.** (1974) Judge ruled that the NFL contract and player reserve system were "patently unreasonable and illegal (Quirk & Fort, 1992, p. 198)

Table 3-1: Policy Map of Landmark Cases in the Field (Cont'd)

1975	1976	1977	1978	1979
Robertson v. NBA. (1975) NBAPA sought injunction to block the merger of the ABA and NBA. Judge ruled that the "player draft, uniform player contract, and reserve clause were analogous to devices that were per se violative of the antitrust laws". An out of court settlement was announced (Quirk & Fort, 1992, p. 205) **NHL's reserve clause** not upheld in Canadian courts in case involving Bobby Hull (Globe & mail Staff, 1975) **Laird v. United States.** Depreciation of player contracts challenged by IRS. IRS was victorious (Quirk & Fort, 1992, p. 106)	**Mackey v. NFL.** Eighth Circuit court found that the "Rozelle Rule" constitutes a violation of antitrust law (Jones & Davies, 1987, p. 724) **Messersmith v. Dodgers** Reserve clause in Major League Baseball ruled illegal by the Supreme Court (Cassing & Douglas, 1980) **Federal Copyright Act.** CRT empowered to collect royalty fee from cable operators for non-local transmissions (Klatell & Marcus, 1988, p. 82) **Combines Investigation Act** in Canada is revised. Professional sport looses its exempt status (Jones & Davies, 1978, p. 713)	**San Francisco Seals v. NHL** (1977). (See L.A. Memorial Coliseum). Franchise movement into NHL territory challenged by the league. Changes to 3/4 majority vote (Quirk & Fort, 1992, p. 300) **Deregulation of Cable** District of Columbia Circuit ruled the FCC's mandate to regulate the broadcasting industry did not extend to cable broadcasts (Horowitz, 1978)	**Charles O. Finley v. Bowie Kuhn.** First time in MLB history that a player sale was disapproved. Kuhn used "best interest of the game clause" to void the sale of 3 players. This action was upheld in court (Quirk & Fort, 1992, p. 280). **Smith v. Pro Football, Inc.** (1978) District of Columbia Circuit court found that the NFL college draft violated section 1 of the Sherman Act (Quirk & Fort, 1992, p. 200)	**McCourt v. California Sports Inc.** (1979) McCourt objected to being traded and sued under antitrust laws to have trade voided. Trade upheld based upon Mackey (player trades agreed to in arms length bargaining) (Quirk & Fort, 1992, p. 207) **L.A. Memorial Coliseum Commission v. NFL** (1979). (L.A. Raiders, under Al Davis, move without consent of league. Expansion into existing league territory rules changed. Opens door to challenge any league policy in court, and win (Quirk & Fort, 1992, p. 300)

Table 3-1: Policy Map of Landmark Cases in the Field (Cont'd)

1981	1983	1986	1987	1988
First Northwest Industries of America, Inc. v. Commissioner of Internal Revenue. (1981)IRS challenged the amount of players' contracts listed depreciable assets on Supersonics balance sheet. IRS is victorious (Quirk & Fort, 1992, p. 109)	**Allen H. Selig v. United States** (1983). Depreciation of player contract upheld as it was not an expansion franchise (Quirk & Fort, 1992, p. 112)	**United States Football League v. NFL** (1986) $1. in damages awarded to the USFL from the antitrust violations of the NFL (Quirk & Fort, 1992, p. 358) (the league went out of business in 1985) **McCarthy v. United States** (1986). Case in which the New York Yankees' depreciation of the local and national baseball TV contract was disallowed (Quirk & Fort, 1992, p. 108)	**NBA v. SDC Basketball Club.**(1987) (see L.A. Memorial coliseum). Franchise expansion into existing territory must be by 3/4 vote of the board (Quirk & Fort, 1992)	United States District Court Judge Doty ruled in July 1988 ruled that the players had reached an impass in contract negotiations that would include more free agency (George, Sept. 11, 1992, New York Times, p. B5)

Table 3-1: Policy Map of Landmark Cases in the Field (Cont'd)

1990	1992	1995	1996	1997
United States District Court Judge Doty's ruling is overturned in November of 1990 by the Eighth Circuit Court of Appeals which said that the league's rules could not be attacked under antitrust laws as there was a union. One month later, the players' union responded by ceasing to be a union (George, Sept. 11, 1992, New York Times, p. B5)	**McNeil v. NFL** Federal jury strikes down the NFL's system of free agency (Plan B) finding it violated antitrust laws (George, T. (Sept. 25, 1992, The New York Times)	MLB players' association seeks to overturn MLB's antitrust exemption.	**Brown v. Pro Football Inc.,** The Supreme Court ruled that it is not an antitrust violation for companies within an industry to get together and impose new contract terms on their unionized employees after labor negotiatons have broken down (Greenhouse, 1996, January 20, p. A1)	Proposed: **The Give Fans A Chance Act of 1997.** Would create the opportunity for community ownership of sport teams. currently prohibited by all leagues. Would also give communities a voice inany relocation decisions (Kraker, 1997, p. 3). Introduced into Congress: **A second bill** that would tax at 40% any subsidies or incentives that businesses, including professional sport teams, receive (Kraker, 1997, p. 3).

Sources: **1)** Klatell, D. A., & Marcus, N. (1988). Sports for Sale: Television, Money and the Fans. New York: Oxford University Press. **2)** Quirk, J. & Fort, D. (1992). Pay Dirt: The Business of Professional Team Sports. Princeton: Princeton University Press. **3)** Horowitz, I. (1978). The implications of home box office for sports broadcasts. The Antitrust Bulletin, 23, 743-768. **4)** Jones, J. C .H., & Davies, D. K. (1978). Not even semitough: Professional sport and Canadian antitrust. The Antitrust Bulletin, 23, 713-742. **5)** Greenhouse, L. (1996, January 20). Justices grant U.S. employers tool to bargain. The New York Times, p. A1. **6)** George, T. (1992. September 11). N.F.L.'s free-agency system is found unfair buy U.S. jury. The New York Times, pp. A1, B15. 7) Kraker, D. (1997). The Economics of Pro Sports: The Fans, The Owners, and the Rules.

Table 3-2: Succession of League Commissioners (1970 to 1997)

Year	MLB	NFL	NBA	NHL
1970				
1971			Walter Kennedy 1963-1975	
1972				
1973				Clarence Campbell 1946-1977
1974				
1975	Bowie Kuhn 1969-1984			
1976				
1977			Lawrence O'Brien 1975-1984	
1978		Pete Rozelle 1960-1989		
1979				
1980				
1981				
1982				
1983				
1984				John Zeigler 1977-1992
1985				
1986	Peter Ueberroth 1984-1989			
1987				
1988			David Stern 1984-Present	
1989	A. Bartlet Giamati 1989			
1990	Fay Vincent 1989-1992			
1991				
1992		Paul Tagliabue 1990-Present		Gil Stein 1992
1993	Bud Selig 1992-Present (Acting Commissioner)			
1994				Gary Bettman 1992-Present
1995				

* Modified from Sherrington, K. (1994, December 18). Authority or Figurehead. Dallas Morning News

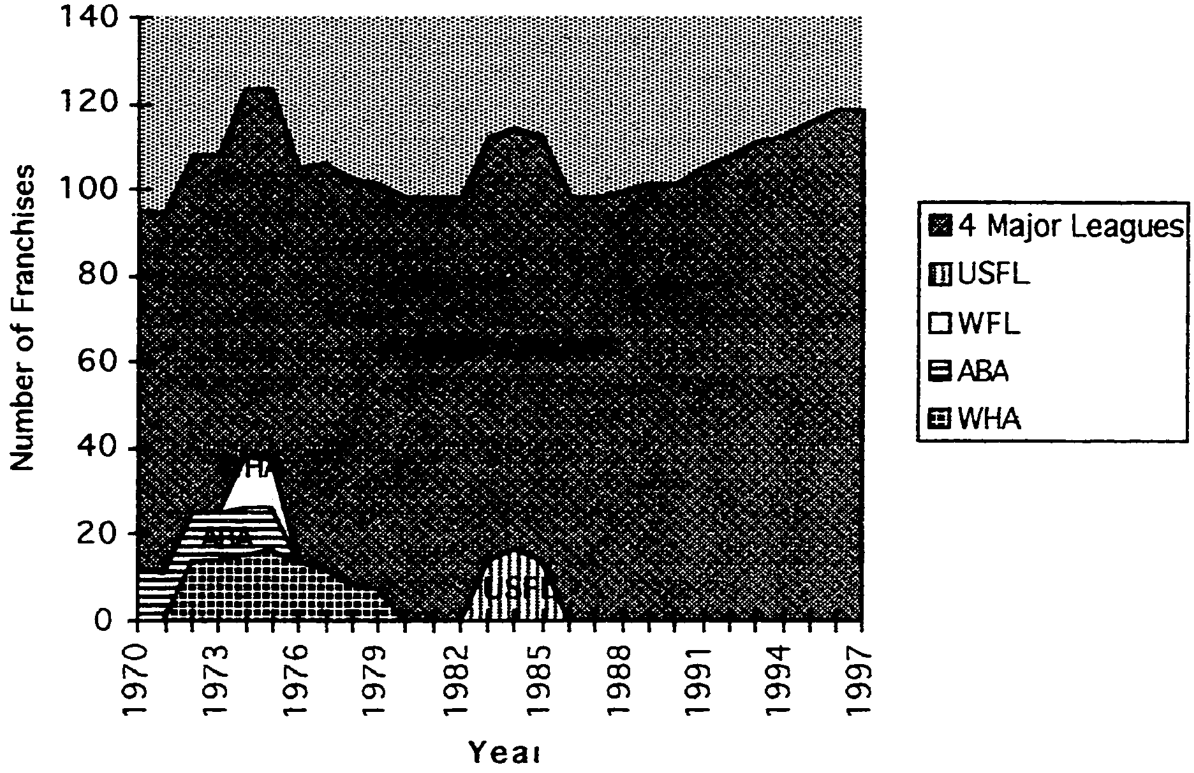
Table 3-3: Number of New Owners Entering the Field (1970 to 1997)

Year	NBA	NHL	MLB	NFL	Total
1970 -1974	7	17	4	11	**70**
1975 - 1979	6	16	8	1	
1980 - 1984	11	6	11	5	**57**
1985 - 1989	10	3	6	5	
1990 - 1994	8	17	8	7	**62**
1995-1997	7	8	5	2	
Total	**49**	**67**	**42**	**31**	**189**

* Includes new owners resulting from the absorption of rival leagues

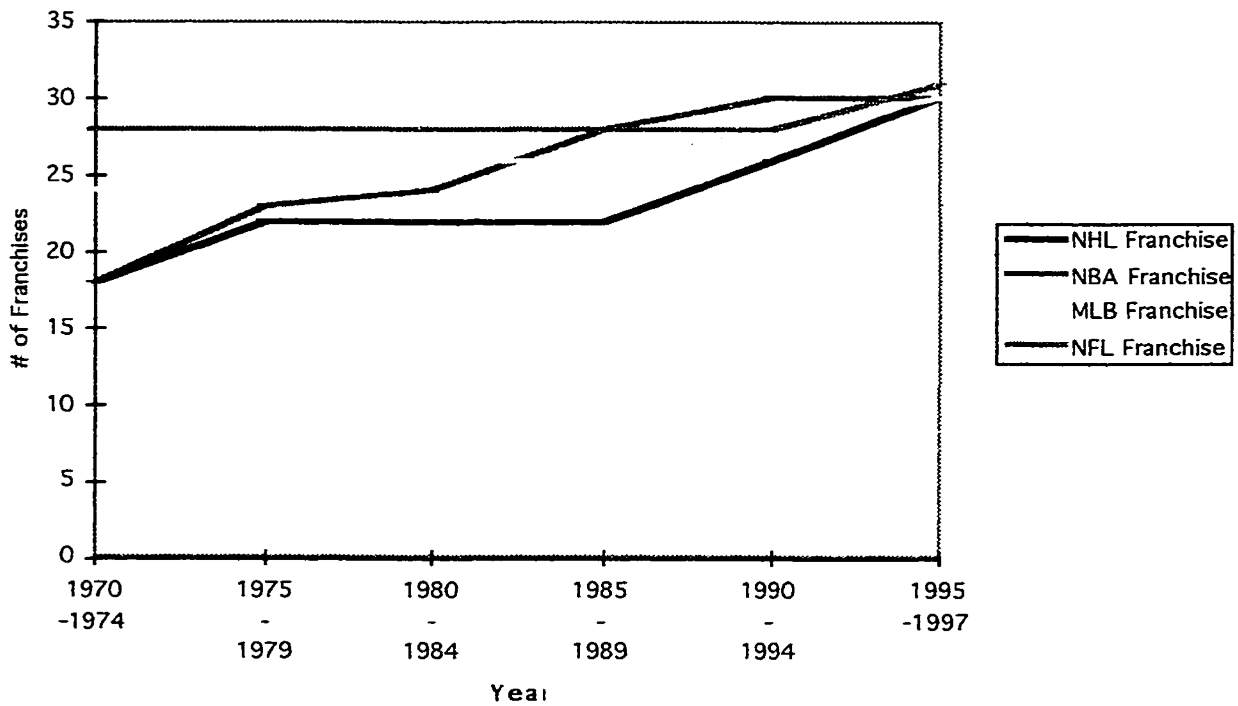
Sources: Quirk & Fort (1992); Team Marketing Report (1998)

Figure 3-1: Expansion by All Leagues in the Field (1970 to 1997)



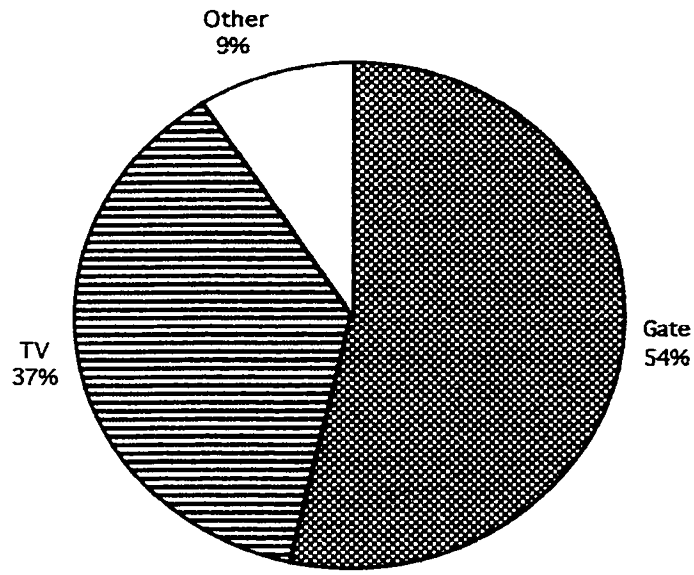
Source: Quirk & Fort (1992); Team Marketing Report (1998); Gorman & Calhoun (1994).

Figure 3-2: Expansion by the Four Major Leagues (1970-1997)

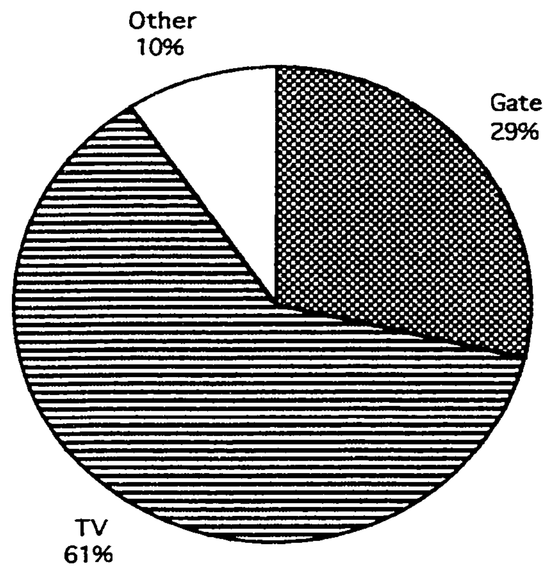


Sources: Quirk, J., & Fort, R. D. (1992). Pay Dirt: The Business of Professional Team Sports. Princeton, N. J.: Princeton University Press.; Gorman, J., & Calhoun, K. (1994). The Name of the Game: The Business of Sports. New York: John Wiley & Sons, Inc.; Associated Press. (1988, March 20). Owners Overwhelmingly approve sale of Dodgers. Dallas News, pp. 4.

Figure 3.3: Revenue Sources of the National Football League 1970 and 1996

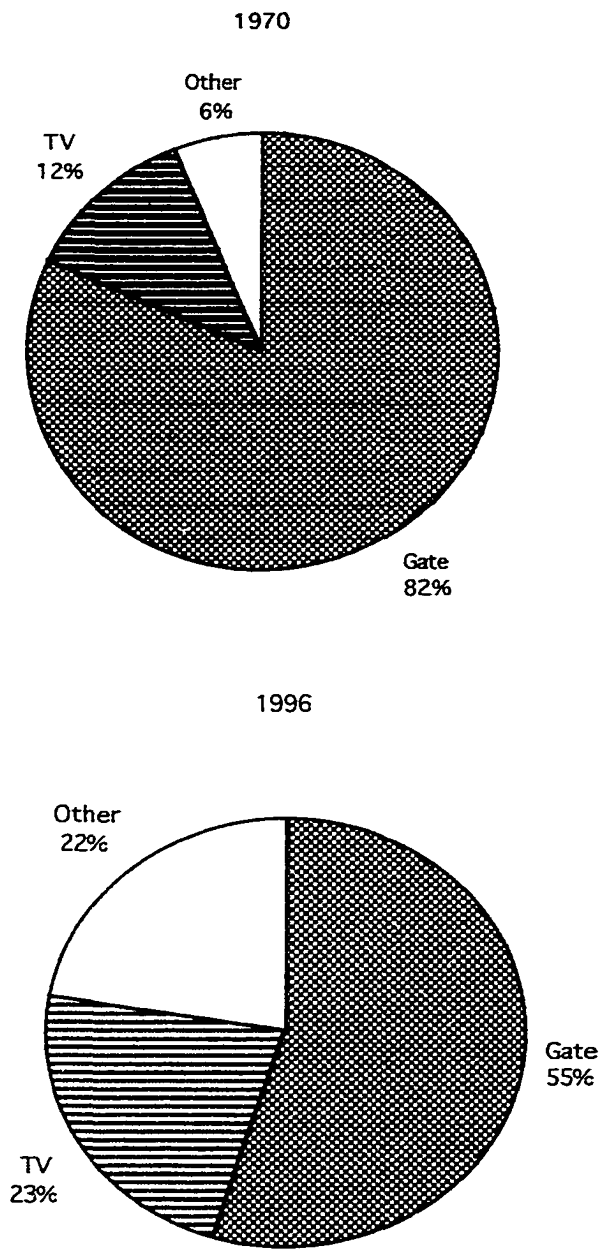


1996



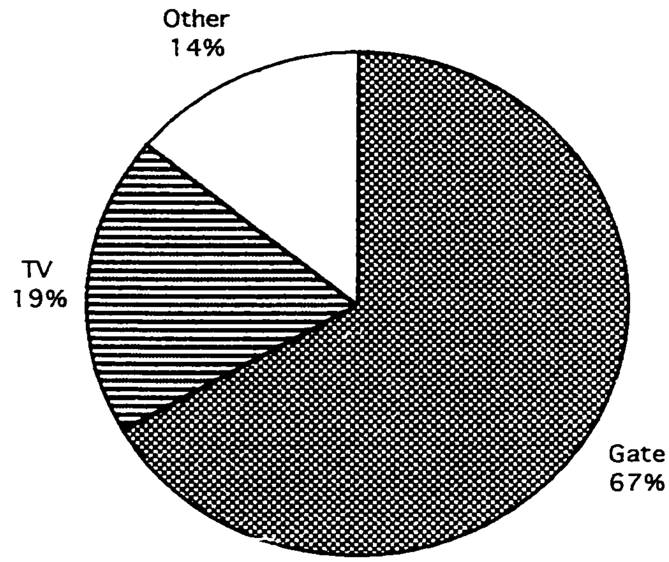
1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 3-4: Revenue Sources of the National Hockey League (1970 and 1996)

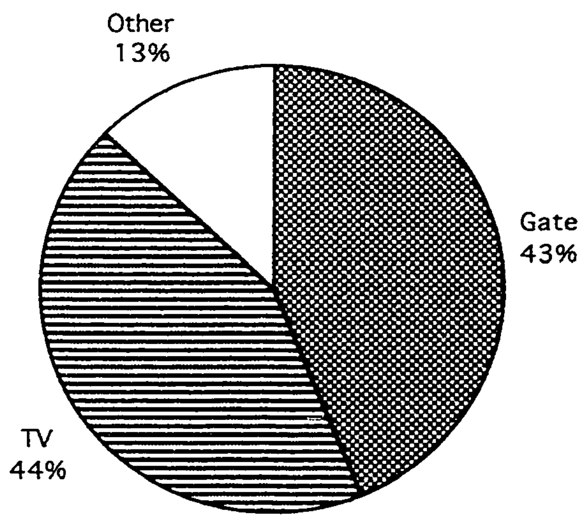


1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 3-5: Revenue Sources of the National Basketball Association (1971 and 1996)

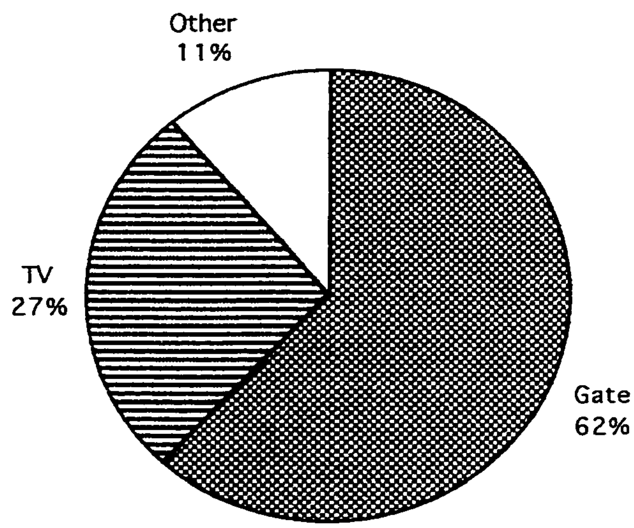


1996

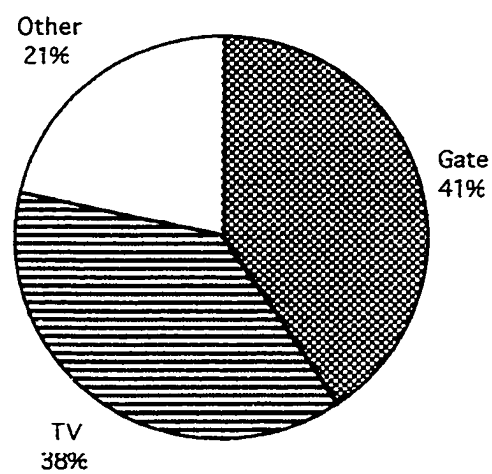


1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 3-6: Revenue Sources of Major League Baseball (1969 and 1996)

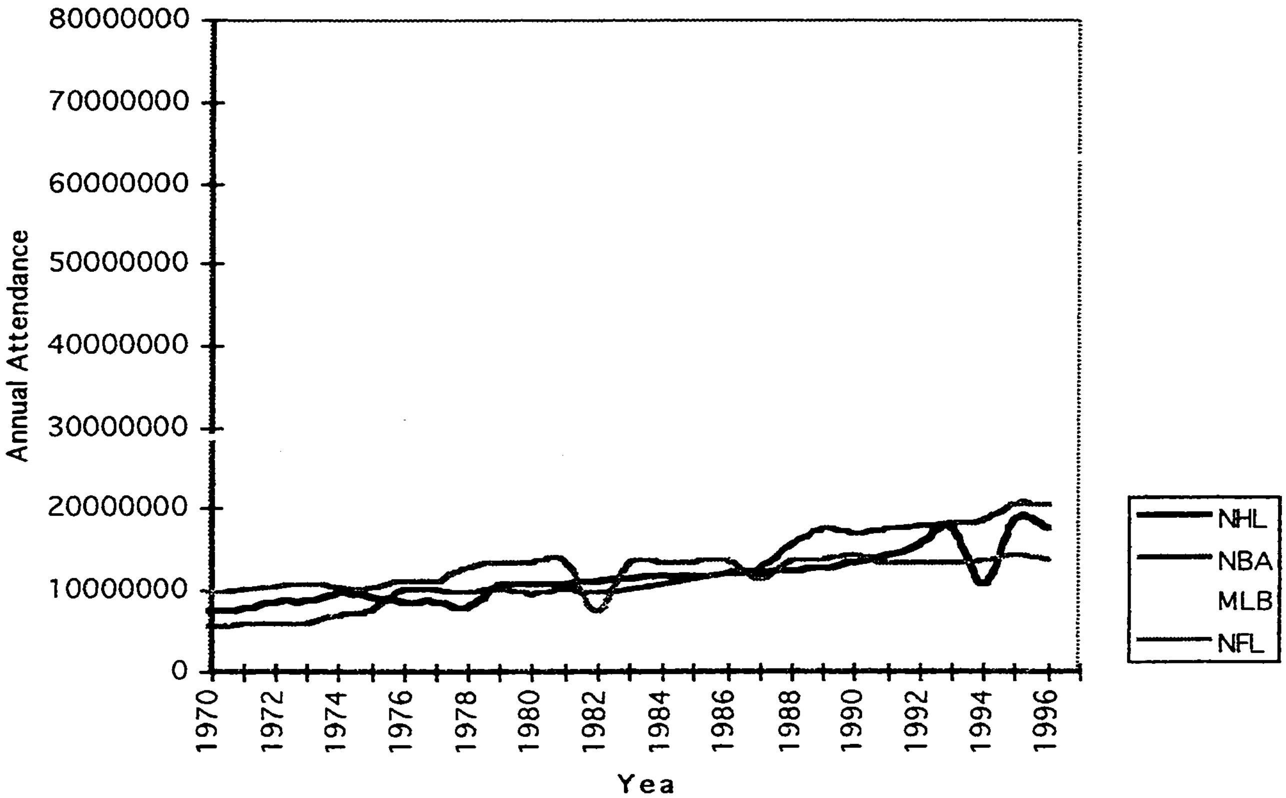


1996



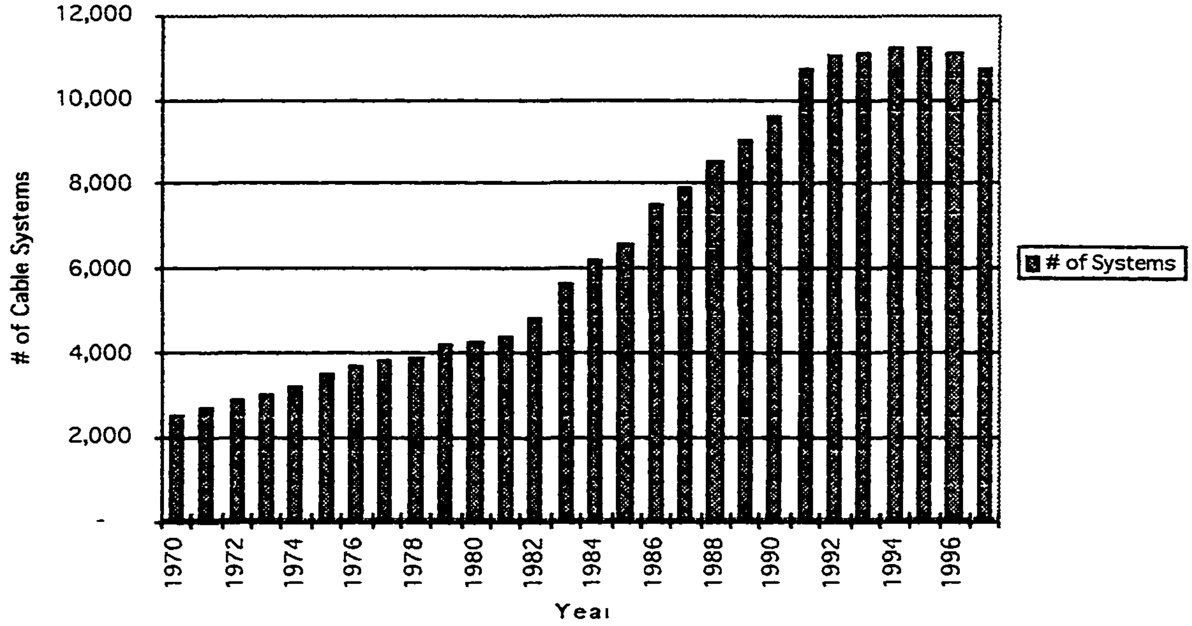
1970s Source: Kennedy, R., & Williamson, N. (1978, July 17). Money: The monster threatening sports. Sports Illustrated, p. 29-88. 1990s Source: Atre, et al., (1996, May 20). What the pro sport teams are worth. Financial World, p. 53-65.

Figure 3-7: League Attendance Figures (1970 to 1997)



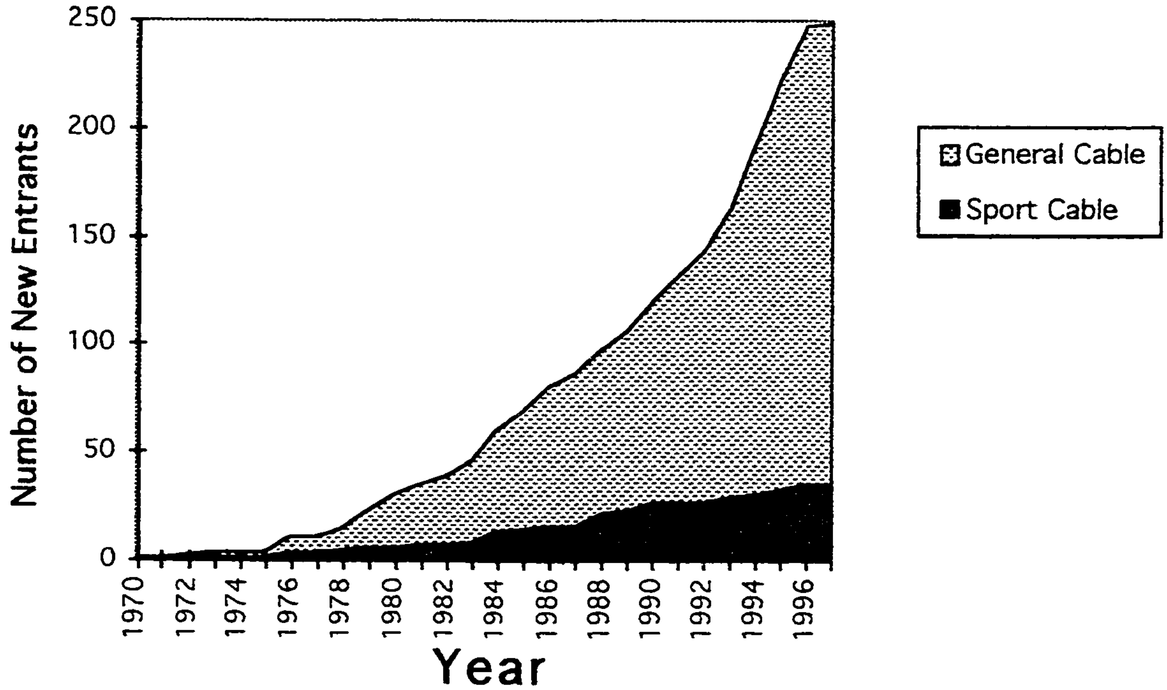
Sources: Quirk & Fort (1992); The Sporting News (1993-1997).

Figure 3-8: Growth in Cable Networks (1970-1997)



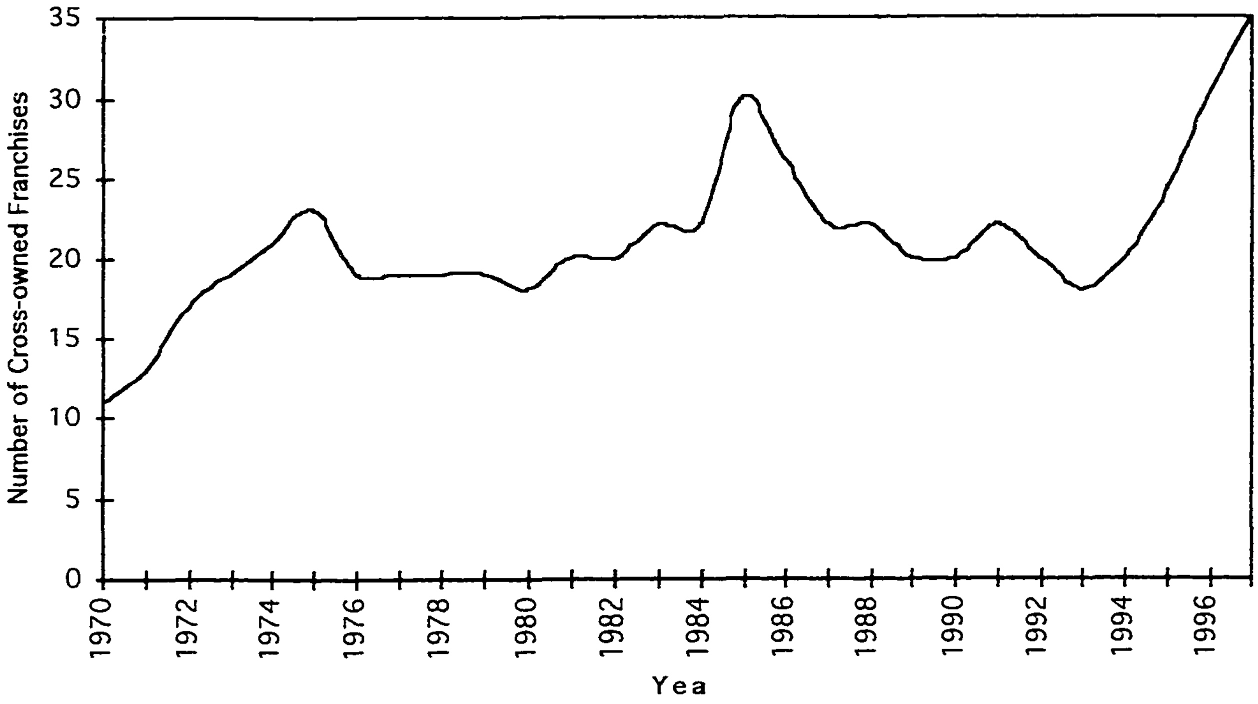
Source: National Cable Television Association (1997). Cable Television Developments: Fall 1997. Washington, DC.

Figure 3-9: Growth in Sport-Specific Cable Networks (1970-1997)



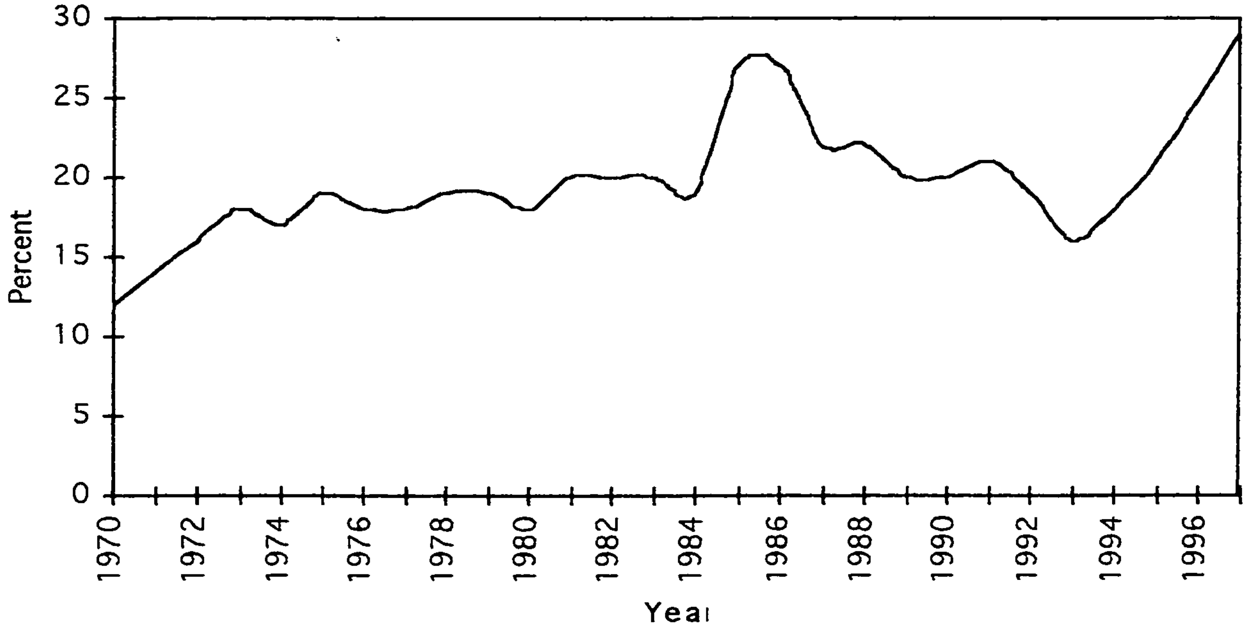
Source: National Cable Television Association (1997). Cable Television Developments: Fall 1997. Washington D. C.: Warren Publishing, Inc.

Figure 3-10: Number of Cross-owned Franchises (1970 to 1997)



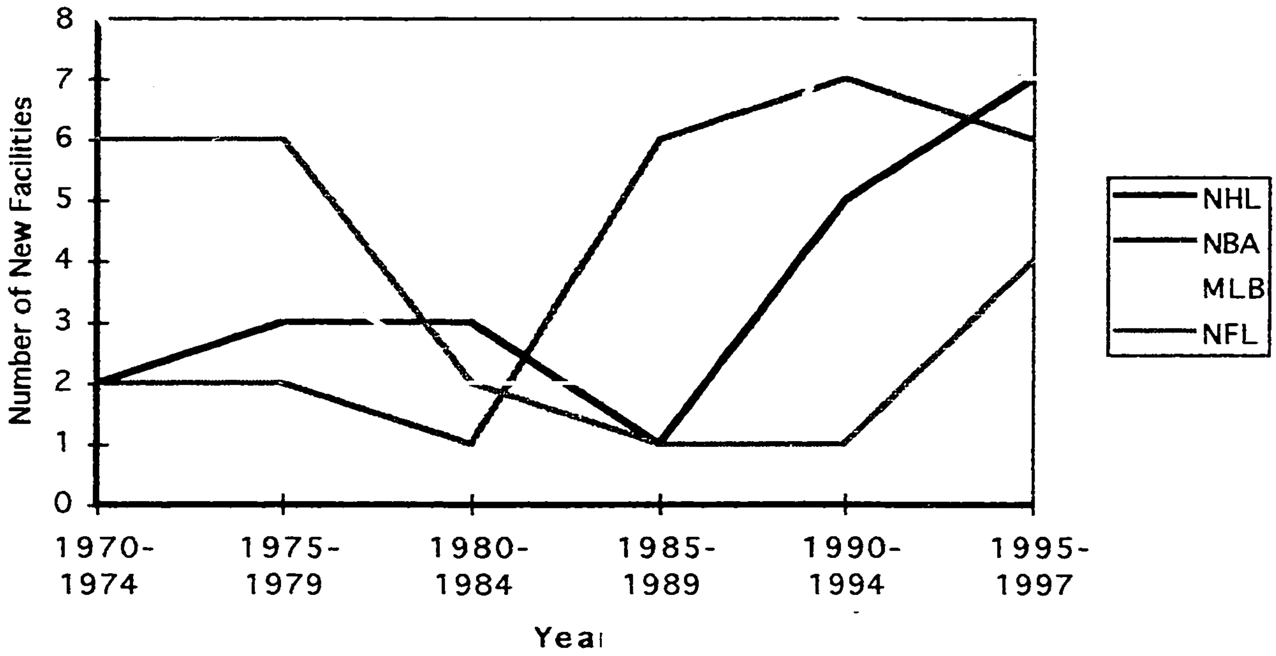
Sources of raw data: Quirk & Fort (1992); Team Marketing Report (1998)

Figure 3-11: Percentage of Cross-Owned Franchises (1970 to 1997)



Sources of raw data: Quirk & Fort (1992); Team Marketing Report (1998)

Figure 3-12: New Facility Construction (1970 to 1997)



Source: Noll, G., & Zimbalist, A. (1997). Sports, Jobs, and Taxes: The Economic Impact of Sports Teams and Stadiums. Washington, D. C. : Brookings Institution Press.

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CHAPTER 4
Paper 3
Changing Logics of Action: Shifts in the Beliefs Guiding North American Professional Sport Leagues

Evidence of shifts in the enacted strategies of North American professional sport leagues and franchises have been widely discussed in the popular press. The domestic and global expansion strategies of the leagues (Andrews, 1995; Jensen, 1994a; Quirk & Fort, 1992), the innovative marketing initiatives employed to penetrate public and corporate markets (Lanther, 1996; Kapp, 1991), the use of new technologies to sell licensed products (Adams, 1995; Campbell, 1995; Jensen, 1994b), and the new types of exchange processes that link sport organizations to their valued partners (Grimm & Lefton, 1993) exemplify the diverse means employed by the leagues and franchises to achieve their long-term objectives. The initiatives adopted by these organizations generate curiosity as one considers the striking similarities among them. For example, each of the four major leagues encompasses a "marketing arm" responsble for the sale of licensed products and sponsorship properties (Gorman & Calhoun, 1994). Additionally, all four leagues are actively engaged in international sporting events such as the Olympic Games and their matches are broadcast in coutries around the world (Jensen, 1994a). These initiatives are underpinned by changes in the beliefs and logics of action by the leaders of these organizations. Little is known, however, about the factors that contributed to the emergence of these new ideas, and their wide-spread adoption by professional sport organizations within the North American context. The previous two papers of this dissertation explored the multi-dimensional changes in the organizational field in which these organizations are embedded. It appears that these changes, for example the entrance of cable broadcasting companies (Klatell & Marcus, 1988) and the erosion of traditional governance structures guiding economc interaction among firms (Quirk & Fort, 1992), have compelled contemporary league and franchise leaders to adapt their strategies to fit with their evolving competitive circumstances.

The relationship between organizations and their environments has long been a central focus of organization theorists (Pfeffer & Salancik, 1978; Porter, 1980; Child, 1972). A central research theme involves understanding organizational change and adaptation within dynamic environments. Recently, the role of cognitive processes has been highlighted as a means to enhance our cognizance of organizational change, and comprehend firm's strategic actions and individual decision making amid technical and institutional environments (Scott; 1994; Fligstein, 1991; DiMaggio & Powell, 1983; Hellgren, Melin & Pettersson, 1993; Etzioni, 1988; Spender, 1988). Neo-institutional theorists suggest that actors' shared conceptions, or collective ideas and beliefs, have emerged as defining feature of the new institutionalism (Scott, 1994). Researchers who subscribe to this view have sought to enhance our understanding of change at the firm and organizational field levels of analysis have adopted cognitive approaches (Scott, Mendel & Pollack, forthcoming; Greenwood & Hinings, 1996; Fligstein, 1991; DiMaggio, 1991). Interestingly, these studies have considered the ways in which collective actors construct the rules of the game that constitute what and how actors' interests are pursued (Scott, 1995) and how shared meanings and commonly held beliefs guide actors within the same industry (Spender, 1988). By taking into account the commonly held world views that guide industrial actors, tremendous insight into the similarities and differences in the changing strategies selected by industrial actors to deal with their environment may be gained.

Cognitive approaches to understanding industrial change have contributed to our comprehension of how shared ideas and opinions emerge among actors within the same competitive environment and how, in turn, these mutual understandings shape and constrain their strategic choices. Institutional theorists have investigated actors' shared interpretations of reality by examining how cognitive frameworks provide meaning and stability to social life (Scott, 1994). Correspondingly, the impact of actors' ideas and beliefs in the maintenance of a stable environment and the repetition of enduring activities have been discussed. Zucker (1983, p. 5), for example, suggested that "institutionalization operates to produce common understandings about what is appropriate and, fundamentally, meaningful behavior." Furthermore, Scott (1987) suggested that shared belief systems establish, in a rule-like fashion, the means to pursue, the value of and the rewards for particular organizational activities.

Ranson, Hinings and Greenwood (1980) also maintained that cognitive frameworks structure interaction and mediate the routines of organizational life. These researches emphasized the existence of *interpretive schemes* that map out actors' experiences of the world and identify key constituents and how actors understand them. In this view, firms are seen as cognitive organizations where actors shared assumptions about the way to approach and proceed in particular situations are constituted by an agreed-upon frame that enables the orderly production of roles and rules. These shared assumptions, or interpretive schemes, represent a particular composition of ideas, values and beliefs, that underpin the structure and systems of firms (Ranson, et al., 1980). Given this, organizational structures and systems are "not neutral instruments but embody intentions, aspirations and purposes" of organizational actors (Hinings & Greenwood, 1988, p. 14). Firms, then, reflect a particular "orientation" that represents the coherent structural expression of an interpretive scheme (Hinings & Greenwood, 1988). Archetypes, or templates of organizing that encompass the cognitive and structural aspects of firms, have been employed as a tool to understand shifts in the dominant ideas, values and beliefs of firms. Examining shifts in values and beliefs from one orientation to another represents a means to enhance our understanding of radical organizational change amid institutionalized environments (Hinings & Greenwood, 1988; Greenwood & Hinings, 1996; Kikulis, Slack and Hinings, 1995).

While Hinings and Greenwood (1988) explored actors' shared assumptions at the organization level of analysis, evidence of collective beliefs among actors embedded in the same environment has also been found at the level of the industry or organizational field. Huff (1982) for example, found that over time the interaction of firms within an industry facilitated the borrowing and adapting of ideas thereby generating a *common strategic frame* of reference employed by these firms. Hellgren and Melin (1992) posited the existence of an *industry wisdom*, a collective belief structure at the industry level of analysis, that regulates the behavior of firms within the same sector. These researchers suggested that this dominant way-of-thinking results from of an ongoing process whereby ideas and opinions are shared among actors within the same competitive environment. Abrahamson and Fombrun (1994) found evidence of interorganizational *macrocultures* that underpinned the collective failure of industries. Macrocultures are shared idiosyncratic, organization-related beliefs that influence the strategic decision making of top managers across industries (Abrahamson & Fombrun, 1994). Scott, Mendel and Pollack (forthcoming) discussed the existence of *institutional logics* - sets of material practices and symbolic constructions that constitute their organizing principles - within organizational fields. They found that fields operate under one or more sets of institutional logics that govern the means (technologies) and specify the criteria of effectiveness and efficiency of all organizations embedded within them. These theorists have provided evidence of collective sets of ideas and beliefs at the industry or field level of analysis and suggested frameworks for their investigation. More recently, however, these and other researchers have begun to focus their attention upon the transformation of collective beliefs that guide actors embedded in organizational fields, and it is to this notion that we now turn.

Fligstein (1991) represents one such theorist exploring shifts in the collective beliefs of actors. He highlighted the importance of new organizations entering into a field when investigating shifts in actors' ideas and beliefs. In his investigation of diversification among the hundred largest firms in the United States between 1919 and 1979, Fligstein (1991) found that when firms enacting successful diversification strategies entered into an organizational field, they provided examples which were then emulated by existing firms. Interestingly, Fligstein (1991) emphasized the importance of actors' interests in the maintenance or evolution of the world view in a particular organizational field. He suggested that actors' views of the world are shaped by their interests which, in turn, reflect their position in the structure of the field and their ability to articulate a coherent view based upon that position.

By extension, Leblebici, Salancik, Copay and King (1991) considered the role of innovative actors situated in the periphery of a field in the introduction of new practices, and the impact of these innovations upon the dominant beliefs of the field. They found that shifts in the innovative strategies enacted by firms in an organizational field had an impact upon the strategic actions of other firms. In particular, they found that new conventions introduced by fringe players were subsequently adopted by central actors as competition in the field intensified. Over time, these innovations became well-established and were subsequently institutionalized within the field. Experimentation was less costly, according to these theorists, for actors situated at the fringes of a field given their recent arrival and less powerful positions. Furthermore, the diminished likelihood of sanctions that may be experienced by more central players contributed to the likelihood that innovative practices will be introduced by peripheral firms.

Scott et al. (forthcoming) found that while a predominant logic may set the tone for a field, the presence of other ideas may impact the collective beliefs of actors. In their study of the field encompassing medical care organizations these researchers identified three eras that encompassed varying institutional logics of action. The first era was characterized by a dominant and exclusively held belief system. The second era consisted of a dominant logic that coexisted with other belief systems that emerged from beyond the boundaries of the medical sector. Finally, the third era demonstrated competing logics that also reflected shifts in the beliefs of actors resulting from the emergence of new ideas carried by actors from beyond the field's boundaries. Scott et al. (forthcoming) suggested that the evolution of ideas and beliefs in this field resulted from the introduction of new logics that ruptured the hegemony of professionals in the field. Shifts in the regulatory and financial structures in the field triggered by the broader political climate also contributed to shifts in the logics of action of actors.

The factors that contribute to shifts in the beliefs of actors have also been explored by Oliver (1992). She suggested that institutional practices, and the ideas and beliefs that underpin them, may erode in some circumstances. Previously legitimated or taken-for-granted assumptions and actions discontinue when organizations fail to "accept what was once a shared understanding of legitimate organizational conduct or by a discontinuity in the willingness or ability of organizations to take for granted and continually re-create an institutionalized organizational activity" (Oliver, 1992, p. 564). This process of deinstitutionalization, according to Oliver (1992), involves the political, functional and social mechanisms within and outside of the organization, together with inertial pressures and entropy that serve as competing processes that moderate the rate of change. Accordingly, these pressures have the potential to deinstitutionalize commonly held beliefs and taken-for-granted assumptions of appropriate actions of firms within an organization field. Over time, the dominant ideas and beliefs of actors within an industry may shift as pressures both from within organizations and those from their competitive environment are brought to bear.

While research such as that cited above has enhanced our understanding of the factors that contribute to change in the collective beliefs of actors, and the dominant logics organizational fields, gaps in the research remain. In particular, the factors that contribute to the erosion of an existing institutionalized logic of a field have yet to be explored. While the introduction of different actors, the experimentation by peripheral firms, the shocks from within and beyond the boundaries of a field, and the shifts in the regulatory nature of a field may facilitate the emergence of a new dominant logic in a field, the factors that contribute to the erosion of previously held beliefs and logics of action have yet to be investigated. Consequently, the purpose of this paper is to explore the changing beliefs and logics of action of the field encompassing North American professional sport leagues by uncovering the dominant ideas and beliefs of actors that evolved over a 27 year time period and identifying the factors that contributed to shifts in the collective institutionalized logic of this network of actors. Of particular interest are the factors that contributed to the erosion of the previously held world view of actors and the source and emergence of new ideas and beliefs that supplanted the formerly held institutionalized logic of this field. Three questions were employed to frame this investigation within the context of the literature: *Where did the new ideas in the contemporary era of this field come from? How was it possible for the new ideas to enter into the organizational field? What are the dynamics involved as the widely held ideas and beliefs, the dominant logic, of the organizational field and the strategic actions they underpin, changed over time?* While the theoretical underpinnings of this paper have been introduced, a more thorough overview of the conceptual framework employed in this analysis will be presented. Next, an overview of the methodological approach chosen for this investigation is discussed followed by a presentation of the results of this research. A discussion of the findings of this investigation is then provided. This paper is concluded by a summary of the findings of this study and suggestions for further research.

Conceptual Framework

While the factors contributing to shifts in commonly held beliefs or taken-for-granted assumptions have been explored at the organizational level of analysis (Hinings & Greenwood, 1988), our understanding of the process of field-level change as it relates to the cognitive dimensions of organizational fields is limited. To explore the shifts in the dominant beliefs and logics of action that guided the field encompassing North American professional sport leagues, the criteria established by Scott et al. (forthcoming) for differentiating among logics that exist within a particular field over an extended time period will be employed. These researchers highlighted the importance of identifying *eras* that represent broad groupings of variables arising during specific time periods. Eras may be differentiated based upon: 1) the dominance of particular types of actors, 2) the use of selected institutionalized logics, and 3) the use of certain types of governance structures. These aspects are particularly important given that the actors, logics and governance structures have been identified as the three general categories used in assessing institutional environments (Scott et al., forthcoming).

The role of agency-infused *institutional actors* in the construction, maintenance and transformation of beliefs, norms and rules has been emphasized by DiMaggio (1988). Identifying the actors creating and changing scripts, and enacting them, remains crucial to explorations of shifts in the dominant world views of actors given their role as "carriers" of beliefs systems (Jepperson, 1991; Scott, 1995). The cast of actors that constitute an organizational field, and changes in the communities of actors and their beliefs, remain central to understanding and identifying the commonly held scripts of a collection of firms and their transformation over time. Scott et al. (forthcoming) suggested that the identifying players in a field, their numbers and influence, is an important step to weeding out a sector's dominant institutionalized logics. These actors constitute the institutionalized environment and may include individuals and organizations that participate alone, as communities, and as associations (Scott et al., forthcoming). Furthermore, careful attention to the emergence of new kinds of organizations into a field and the density of a community of firms is warranted. Given the role of new firms as potential carriers of different logics, new entrants into a field have the potential to espouse new beliefs or to dispute existing logics in the field. Similarly, the relative changes in the density of populations of organizations may serve as an important indicator of the changing acceptance of the institutional logics embraced by varying actors in a field (Scott et al., forthcoming).

Institutional logics are the dominant ideas and beliefs that set the tone for the field (Scott et al., forthcoming). Logics are enacted and reproduced through the cultural orders of a field and their associated practices. Scott et al. (forthcoming) suggested that initially theorists tended to support the notion that institutional logics emphasizing legitimacy existed in opposition to or independent of instrumental logics that espoused efficiency. More recently, theorists insist that all firms within a field operate within an institutionally defined arena that is governed by rules that specify the means and criteria of effectiveness and efficiency (Scott et al., forthcoming). This is not to say that the material-resource environment, those factors considered as crucial to the technical operations of networks of organizations, are unimportant. On the contrary, factors affecting the demand, the supply, the number of supporting communities, and the flows of resources in a field also influence the decisions of actors embedded within them. Notwithstanding the role of the material-resource environment as an interacting force with elements of the institutional environment, the focus here is on the institutional logics of action that evolved. While a predominant logic may guide a field, Scott et al. (forthcoming) recognized that other coherent belief systems may exist in a field simultaneously and, as such, have an impact upon organizational actors. These researchers suggested that 1) one exclusive belief system may dominate an organizational field, 2) dominant logics may coexist or overlap within a field, or 3) competing logics may exist in a field.

Identifying the *governance structures* of an organizational field represents the third factor to consider when differentiating among the temporal eras of an organizational field. As an integral part of the institutional environment, governance mechanisms are the codification of a field's social and power structures and operating logic (Scott et al. 1996). As such, they may serve as an impetus for and inhibitor of change within a field. Scott et al. (forthcoming) posited three potential sources for change in governance structures of an organizational field: 1) the formal legal structures and informal systems of normative control, 2) the reciprocal process where legal constructs are defined and redefined interactively within a field, and 3) the institutional logics and wider societal forces that influence activities. For example, shifts in the formal legal structues may arise as struggles among different types of actors, for example public officials or professionals, occur within a field. Legal constructs evolve through an ongoing reciprocal, interpretive process as regulatory systems develop over time, while institutional logics represent an exogenous source of change that, if embraced, must be internalized or carried by actors in the field (Scott et al., forthcoming).

This framework for identifying the distinct temporal eras that are differentiated by their dominant actors, logics and governance structures, facilitates our exploration of the transformation of dominant beliefs and logics of action of an organizational field. Viewing the cognitive dimension of organizational fields in this way enables researchers to isolate and compare the dominant ideas and beliefs of key actors at varying time periods in a field's history. This framework facilitates a comparison of the actors holding influence and the prominence of certain types of governance mechanisms across different intervals in time. It is through these comparisons that one is able to differentiate among temporal eras. Furthermore, the aspects of institutionalized environments identified in this framework are not discrete. On the contrary, Scott et al. (forthcoming) highlighted the interdependence of a field's actors, logics and governance structures. Similar to the notion of archetypes, this framework provides a gestalt-like view of the actors and rules guiding an organizational field to ease their comparison and provide meaningful opportunities to explore the factors that contributed to shifts from one era to another. Isolating the temporal eras that existed during a field's history also enables one to capture the differences in the pace of firms' adoption of contemporary logics of action and the underlying reasons for variances in actors movement from one era's logics of action to another. Scott et al. (forthcoming) noted that the eras are not "water tight" and, as such, all actors may not be equally involved in shaping a field's logic as it emerges. By identifying the temporal eras that existed in the organizational field encompassing North American professional sport leagues, insight into the sources of new ideas, the factors that contributed to their adoption by actors in the field, and the dynamics of change from one era to another will be gained. Prior to a presentation of the results of this investigation, the methodological approach employed in this research will now be discussed.

Methods

In order to examine the shifts in the commonly held beliefs of actors in this organizational field, a historical approach was selected. Both primary and secondary sources of data were collected to develop a chronology of the history of the four leagues, their enacted strategies, and the leaders' ideas and beliefs that underpinned them. Furthermore, evidence of changes in the communities of actors in the field and its state-, market-, and league-level governance arrangements during the time period under investigation were gathered from secondary sources.

Research Site

The context selected for this investigation is the organizational field in which North American major league professional sport organizations are embedded. The field encompassing the NHL, the NBA, the NFL and MLB experienced significant changes between 1970 and 1997 with the communities of actors residing in the field and its structure shifting. The exchange processes linking the providers of services, the leagues and franchises, to their key bargaining partners became stronger while the degree of system coupling in the field increased. The ideas and beliefs of actors shifted as their views regarding their domain, principles of organizing and criteria of effectiveness evolved. Finally, the governance structures at three levels of analysis, the league, the market, and the state, also transformed as challenges among actors within the field and events beyond the field's boundaries arose. The following is a more detailed overview of the changes that transpired in the organizational field encompassing major league professional sport organizations between 1970 and 1997.

For example, the *communities of actors* that constituted the producers, buyers and suppliers of services shifted during the 27 year time period of this investigation as a new population of organizations, cable broadcasting networks, increased in number from one in 1970 to 164 by the mid-1990s. The number of franchises also increased from 95 in 1970 to 118 by 1997 (Quirk & Fort, 1992; Team Marketing Report, 1998), while the number of suppliers of services, the players' associations, remained relatively stable. The *exchange processes* that linked the producers of services in this field to their buyers and suppliers also evolved as the degree of system coupling in the field became tight when the number of franchises cross-owned by the same individual or corporation increased from 11 in 1970 to 35 by 1997. The *beliefs and logics of action* of the cast of actors also demonstrated change when the domain, principles of organizing and criteria of effectiveness that underpinned decision-making by the leaders of the leagues were compared in the 1970s and the 1990s. Finally, the *governance mechanisms* of this organizational field also evolved. The league-level governance structures eroded as a result of numerous challenges to their authority raised by franchise owners, by rival leagues, and by the players' associations. The market-level governance mechanisms also changed as actors sought new forms of exchange relationships to reduce uncertainty amid the field's turbulent competitive climate and the state also contributed to changes in the field's governance regimes by shaping the terms of exchange among the producers, buyers and suppliers in this field.

Time Period Selected: The time frame selected for this study was the period extending from 1970 to 1997. This period extends back to an epoch before the major events described above occurred in this organizational field. The early 1970s represents, for example, a time before the deregulation of cable television, before the onset of free agency by the players, and before the leagues merged or absorbed rival leagues. This was also a time preceding the creation of the leagues' properties divisions and the wide-spread construction of facilities with corporate hospitality services (Gorman & Calhoun, 1994). Collecting data as far back as 1970 has enabled this researcher to capture the ideas and beliefs, the competitive strategies and the context in which decisions were made both before and after these major shifts in this organizational field occurred.

Data Collection: Both primary and secondary data were collected for this study to uncovering changes in the beliefs and logics of action of actors in this organizational field (see Appendix A). Primary data were retrieved from archival material provided by the four leagues under study and their respective Halls of Fame, and from interviews conducted with current leaders in each of the four leagues. Secondary data were collected from archival material, historical books, selected sport and business magazines, the National Cable Television Association (NCTA), and legal journals.

Data Analysis: To uncover the temporal eras present in this organizational field during the period of this investigation, varying techniques were employed to analyze the data pertaining to the dominance of actors in the field, the use of selected logics of action, and the use of certain governance structures throughout the time period under study (see Appendix A). Data pertaining to the *dominance of particular types of actors* in this organizational field were collected from a selection of primary and secondary sources and then segmented based on the descriptors "producers of services", "supplier of services" or "buyer of services", to provide the researcher with a detailed account of the number of actors that existed in each community of actors throughout the time period under study. Furthermore, insight into the influence held by each community of actors over the course of the investigation was then uncovered by considering their ability to dictate the terms of interaction in the field. Lindberg et al.'s (1991) typology of governance structures, which is based upon the assumption that production and exchange are systems of power that involve institutionally determined asymmetrical and shifting exchange advantages, was employed. Accordingly, the analysis of the data pertaining to the communities of actors uncovered themes indicating shifts in exchange advantages among the various producers, suppliers or buyers in the field.

Data analysis to uncover the *use of selected institutional logics* in this organizational field consisted of comparing and coding data pertaining to the actors' beliefs about their *domain*, *criteria of effectiveness* and *principles of organizing* during the 27 years under investigation. Initially, the primary data were segmented by year and by league to facilitate a comparison of the leaders' strategic choices across the leagues and over time and series of explanatory codes emerged from the data (see Appendix A). These explanatory codes were based upon the major decision making areas discussed by the leaders and the major areas of change pertaining to the leagues' buyers, suppliers, products, markets and governance structures. The eight major explanatory themes included *league parity*, *broadcasting*, *labor relations*, *growth* and *marketing* as well as those related to the cognitive aspects, or interpretive schemes, of the leagues. The data were then placed in clusters based upon the eight explanatory themes while preserving the initial structure based upon year and league. The final stage of coding involved a comparison of the data with preanalytic remarksplaced in the right margin of each paragraph or statement articulated by the commissioners. These remarks highlighted the variances in each theme over time. Two temporal eras emerged from this final stage of the coding as meaningful changes in the leaders' beliefs and major decision areas were uncovered.

The analysis of data pertaining to *use of certain types of governance mechanisms* that existed in this field between 1970 and 1997 involved a comparison of league-, market-, and state-level governance mechanisms (see Appendix A). This analysis involved a comparison of data at three levels of analysis to uncover shifts in the influence attributed to certain communities of actors, the style of market transaction prevalent in the field during a particular time period, and the cumulative results of decisions made in Antitrust laws that favored one community of actors over another. Thus, emerging from the data were two temporal eras that were differentiated by the actors holding influence in the field, by the use of selected institutional logics and governance mechanisms. It is to the presentation of the temporal eras that we now focus your attention.

Results

To uncover the temporal eras reflecting the shifts in the actors, logics and governance structures of the field, these factors established by Scott et al. (forthcoming) to differentiate among eras established were employed: 1) the dominance of particular types of actors, 2) the use of selected institutionalized logics, and 3) the use of certain types of governance structures. Using these elements, two temporal eras resonating meaningful differences in the communities of actors in the field, their ideas and beliefs and governance mechanisms were uncovered. The first era, *The Era of League Dominance*, extends from 1970 until the early 1980s and is characterized by league preeminence, whereas the second era, the *Era of Corporate Dominance*, extends from the early 1980s to the conclusion of this study in 1997 (see Table 4-1). The ideas and beliefs that guided the actors during these two eras varied as did the key players that dominated the field and the types of governance structures that guided the economic interaction among firms. Interestingly, the pace of the leagues' and franchises' adoption of the beliefs and logics of action in the more contemporary era were not uniform with some actors espousing innovative strategies long before their counterparts within the field.

Insert Table 4-1 about here

The following is a presentation of the two temporal eras that emerged from the data. The goal of this presentation of results is not simply to articulate shifts in, for example the number of actors or the leaders' beliefs about their domain, criteria of effectiveness or principles of organizing, but to provide meaningful insight into the shifts in the dimensions of this field that differentiate one temporal era from another. Thus, this paper is concerned not simply with changes in the number of actors in the field, but in the shifts in power held by certain actors over the 27 years under investigation. Similarly, this paper deals not with uncovering that actors beliefs and logics of action at a particular time period, but in the overall similarities or differences in the world views held by actors. Finally, the presentation of shifting governance regimes also emphasizes the impact of state-, market-, and league-level governance structures on the power of actors in the field.

Era of League Dominance: 1970 to 1983

The Dominance of Particular Types of Actors. The institutional actors holding influence during the first era were primarily the community of professional sport leagues residing in the field. The powers held historically by the league commissioners were, for the most part, unchanged since their inception (Leggett, 1969), although objections to the leagues' dominance were raised during this era. The franchises represented key actors in the field given their influence over the production of the core product, however their ability to dictate the terms of their interactions with other actors in the field were limited by league control over issues such as franchise movement, player mobility and league expansion (Quirk & Fort, 1992; Roberts, 1984). Although the league commissioners', or president in the case of the NHL, power within their respective leagues varied, their authority set the tone for their member franchises and key bargaining partners were entrenched. As Bowie Kuhn, commissioner of MLB, stated "I have enough independence to do what I think is right. That's the way most of the owners want it. That's the way it will be." (Grimsley, 1975, p. C-7). Interestingly, the commissioner of MLB possessed unprecedented power given his authority to act "in the best interests of the game" regardless of financial imperatives that were raised by franchise owners (Helyar, 1994, p. 110). Kuhn contended that "I think the commissioner's power is clear and binding and its exercise vital to the best interests of the game" (Reidenbaugh, 1976, p. 7).

NFL commissioner Pete Rozelle also held tremendous power within this league. His authority grew dramatically following the introduction of the "League Think" revenue-sharing philosophy and subsequent passage of the *Sports Broadcasting Act* in 1961 that facilitated the league signing a lucrative television contract with CBS (Harris, 1986, p. 15). This $14.1 million contract, according to Harris (1986, p. 15), "confirmed Rozelle's claim to power within the league." Additional successes, such as the introduction of *Monday Night Football* in the early 1970s, and his willingness to challenge individual owners, also contributed to his supremacy in this league (Harris, 1986).

During this era, franchise owners were typically individuals who were either lured by the glamour of professional sport, were fans or former athletes of the game, or were wealthy individuals seeking tax write-offs or antitrust exemptions (Kowet, 1977). Of importance, notes Beamish (1991) in his review of the owners of NHL teams, is the fact that team owners were part of a relatively tightly knit economic community, especially in Canada. While corporations either partially or wholly owned teams during this era, only one network and one cable broadcasting company, CBS and Madison Square Garden Network respectively, possessed professional sport teams in the early 1970s (Klatell & Marcus, 1988). Notwithstanding their investment in sport for financial gain, franchise owners in the NFL, according to Harris (1986), described their role in the football business as a public trust. Gene Klein, owner of the San Diego Chargers, stated "Nobody really owns an NFL franchise. The community owns it - it's a cultural asset of the city." (Harris, 1986, p. 23). Similarly, Billy Sullivan of the New England Patriots professed that "Philosophically, I look on sports as a quasi-civic enterprise and with that comes the responsibility to be good public citizens" (Harris, 1986, p. 23). Owners from other leagues, such as MLB franchise owner and founder of McDonald's Restaurants Ray Croc, came into fortunes and purchased franchises because of their interest in the game (Poe, 1985). When discussing his acquisition of the San Diego Padres in 1974, Kroc stated "I just wanted a hobby. I can make more money out of one hamburger stand than I can out of baseball. But I love baseball and I have no interest in money" (Poe, 1985, p. 18).

In the first era, key buyers of franchise products were the fans and three network broadcasting companies, namely ABC, NBC and CBS (Kennedy & Williamson, 1978). Revenue generated from the sale of tickets at the gate represented the primary source of income for the franchises (Kennedy & Williamson, 1979). During this era, fans were typically blue-collar workers residing in urban communities across the United States and Canada and sporting facilities were situated in local neighborhoods (Euchner, 1993). The three networks residing in the field at this time represented the sole delivery system for televising sports events nationally (Klatell & Marcus, 1988). The networks, according to Klatell & Marcus (1988), paid handsomely for exclusive rights to sporting events as they were cognizant of their ability to transfer the costs onto advertisers. Exclusive access to the franchises' core product represented a key element of league-broadcaster relationships during this era (Klatell & Marcus, 1988). Cable broadcasting networks did not play an influential role in the field during this epoch. However, the deregulation of cable broadcasting in 1976 was a trigger that facilitated the emergence of a plethora of cable companies into the field (NCTA, 1997). Yet, during this era the entire impact of cable broadcasting networks on the structure of the field and the beliefs commonly held by actors was not realized.

The influence of the suppliers of services in this field, the players' associations, was underrepresented in decision-making matters during this era. While varying degrees of free agency were granted to the players beginning in the mid-1970s, their power to influence events in the field had not yet materialized. The decade encompassing the 1970s, however, represented a period of substantial change in labor-management relations in professional sports. This era represented an epoch when the unions increased their efforts to educate and mobilize athletes into a coherent force to challenge management's dominance (Helyar, 1994; Cruise & Griffiths, 1991; Harris, 1986). For example, Marvin Miller, president of the Major League Baseball Players' Association (MLBPA), launched a campaign to actively involve athletes in the bargaining process and educate them of the key issues confronting their union (Helyar, 1994). According to Helyar (1994, p. 88), Miller employed a "building block approach" to rallying the players and igniting discontent to challenge the league's reserve clause. The result, stated Korr (1991, p. 115), was that "in slightly more than a decade [1970 to 1980], the MLBPA overturned almost a century of baseball's traditions and business practices, effectively ending management's dominance, which had been sanctified by the U. S. Supreme Court."

Similarly, the seeds of discontent were planted by the players' unions in the three remaining major leagues during this era. In the NFL, following declines in real-dollar salaries between 1970 to 1980 despite increases in this league's gross revenues, the National Football League Players' Association (NFLPA) began to challenge their league's dominance (Ahlburg & Dworkin, 1991). In spite of signing the first collective bargaining agreement in the history of the sport, one that did not address issues of free agency or the players' draft, the athletes launched a series of antitrust suites against the NFL (Quirk & Fort, 1992). In professional basketball, by comparison, the merger between the American Basketball Association (ABA) and NBA in 1977 facilitated the elimination of the option clause that restricted player movement in the NBA (Quirk & Fort, 1992). Akin to basketball, the emergence of the World Hockey Association (WHA) contributed to shifts in the players' attitudes towards the reserve clause in the NHL (Quirk & Fort, 1992).

The Use of Selected Institutionalized Logics. This era was characterized by *coexisting institutionalized logics* of action within the field. The league leaders' and franchise owners' beliefs, and the strategies enacted by their organizations, varied greatly as a result of the leaders' historical and sport-specific perceptions of their firms. These differing beliefs that coexisted in the field during the first era were manifest in the strategies enacted by the leagues. To illustrate the differences in the leaders views, the leagues' strategies pertaining to a key area of their business operations, broadcasting, will be compared. In doing this, the leaders' views regarding television contracts, those capturing the diversity in the logics of action prevalent in the field during this era, will be presented. The area of broadcasting was selected given the leaders' statements acknowledging the importance of television contracts to the success of their operations and that data indicating that television companies represented a major sources of income for the leagues and franchises.

In this era, the leaders' views about how best to integrate televised broadcasts into their marketplaces varied, with the NFL, NBA, NHL and MLB each employing different means to control their relationships with network and cable broadcasters. Interestingly, at the outset of this era the league leaders resisted opportunities to promote their games and generate revenue through the wide-spread broadcast of their games on television (Harris, 1986; Helyar, 1994; Cruise & Griffiths, 1991). They predicted declining gate revenues would accompany televised games in local markets following the passage of the *Anti-Blackout Legislation* of 1973 (Quirk & Fort, 1992). The opposite, however, proved to be true. Rozelle predicted that football would "become a studio sport, something just put on for home consumption, and eventually die" (Townsend, 1973, p. 30). In reality, while the first year subject to anti-blackout legislation saw the number of people who bought tickets and failed to attend the match double (Wiebusch, 1975), in subsequent years, however, league attendance escalated dramatically and by 1980 the regular season live gate passed 13 million for the first time in NFL history (Harris, 1986).

Notwithstanding the leaders' mutual resistance to television at the outset of the 1970s, the leagues and franchises enacted varying strategies pertaining to broadcasting during the latter part of this era. The NFL, in keeping with its League Think philosophy that empowered only the league to sell broadcasting rights, controlled the distribution of the league's televised products on a national basis (Harris, 1986). Under the direction of Rozelle, the NFL gradually increased the broadcast coverage of its matches. Initially the league experimented with televised matches during prime time with games broadcast on Monday evenings and, following its initial success, ABC launched Monday Night Football in 1974 (Harris, 1986). According to Helyar (1994, p. 68), Rozelle provided fans with "a steady, predictable diet for the nations growing ranks of couch potatoes. Football, by its very nature, was well suited for TV. Rozelle took it one step further, and made sure it revolved around TV."

Major League Baseball, by comparison, delegated the power to sell broadcasting rights in local markets to the franchises, while simultaneously selling national contracts to the networks (Helyar, 1994). While this strategy enabled owners of MLB franchises to generate revenue from both national and local broadcasters, it underpinned the growing disparity among small- and large-market teams that would become evident by the end of this era. The emergence of cable Superstations with the capability to transmit broadcasts via satellite beyond traditional geographic markets upset the competitive balance of MLB franchises. For example, Atlanta Braves owner Ted Turner exemplified this trend when he began using his franchise to bolster his Superstation's audience and attract advertisers (Helyar, 1994). The leaders of MLB were unsuccessful, however, in their repeated efforts to amend their league's bylaws pertaining to broadcasting to address this situation (Helyar, 1994). According to Helyar (1994, p. 266), "Baseball's amendments never got to first base and the Superstation rolled on. When it began reaping national advertisers in 1978, it became a money machine." By the end of the 1970s, commissioner Kuhn expressed his growing concern when he stated (Isle, 1979, p. 21):

> We didn't even know what a Superstation was four or five years ago and today we have the potential for seven Superstations to be in operation. They all have one striking thing in common. Every Superstation is the flagship of a major league baseball team and, believe me, that did not happen by chance. If these telecasts saturate the country, it's going to be a real problem for baseball.

The NHL, by comparison, chose to pursue a regional-local broadcasting strategy through cable broadcasters rather than pursue relationships with national network broadcasters (Gorman & Calhoun, 1994; Herman, 1977). This decision was made following the completion of the leagues' contract with NBC in 1975. This network refused to renew the NHL's contract reportedly as a result of the league's refusal to adjust its timetable and provide the best game of the week to the network (Cruise & Griffiths, 1991). When contemplating the reasons the NHL lost its broadcasting contract, then league president John Ziegler stated in an interview with Sports Illustrated (1977, p. 39) that "Possibly we didn't always deliver the right games. Maybe our owners didn't recognize the importance of a national TV contract. There were some who said, 'I won't do anything that would take away seats or change my schedule.'" According to Gorman and Calhoun (1994), while the other leagues were negotiating contracts with the networks, the NHL's clubs were appeased with low-paying agreements until the 1990s.

Finally, the NBA's approach to securing television rights fees from broadcasters also varied from those of the other three leagues. The leaders of this league desired a network contract, however, deteriorating fan interest in the 1970s and early 1980s limited their ability to negotiate effectively with broadcasters. Akin to MLB, franchise owners were empowered to sell broadcasting contracts in local markets while the league simultaneously sought national network exposure (Gorman & Calhoun, 1994). Given the poor ratings resulting from this league's rivalry with the ABA, securing broadcasting contracts was difficult for this league and its member clubs during this era. Ratings were so low during the mid-1970s the league's broadcaster, CBS, purchased rights to college basketball that resulted in higher ratings than those generated by the NBA (Papanek, 1979).

By 1979, the NBA's national television ratings declined by 26 percent with the game itself, the racial mix of its players, the schedule and the playoff format blamed for the declining fan interest (Papanek, 1979). The league did, however, begin to work more closely with CBS to develop half-time programming focused on human-interest features about the players rather than the "circus act" features previously displayed on their network (Papanek, 1979).

The league and franchise leaders' beliefs and logics of action pertaining to broadcasting demonstrated the varying ideas held by the commissioners and club owners during this era. While broadcasting represented a crucial area for these communities of organizations throughout the time period under investigation and thus warranted discussion, additional elements of the leagues' strategies also provided evidence of the coexisting institutional logics of this field during the Era of League Dominance. The leaders' beliefs pertaining to parity, growth, labor relations and marketing also varied thereby creating diversity in the field and, accordingly, a scarcity of uniform approaches to achieving a strategic competitive advantage within the field.

The Use of Certain Types of Governance Structures. The governance structures typical of this era also emphasized the leagues' dominance given their control over the institutional power structures, in the form of the leagues' bylaws and constitutions, existing in the field. This control would dissipate during the first era, however, as formal legal mechanisms, market interactions and the shifting beliefs of actors contributed to the erosion of the field's league-dominated governance mechanisms. At the outset of this era, the powers historically invested in the offices of the commissioners remained intact (Leggett, 1969; Euchner, 1993). The league's constitutions and bylaws represented the codification of the field's power structure and, as such, guided interaction among the producers of services and their buyers and suppliers. The dissatisfaction of other actors in the field with the allocation of resources, however, created a principal dynamic facilitating the transformation of governance regimes in this field. The state was used by these actors as the primary vehicle to bring about meaningful change in the governance of this organizational field. Interestingly, this era represented the epoch during which many of the challenges to the field's traditional governance regime were initially raised and, as such, represents a period of upheaval in this field's history.

The community of players' associations, for example, looked to the state when challenging the traditional means employed by the leagues to govern their relationship. Numerous legal suits were raised by the players to confront the leagues' authority, and the player reserve system in particular (Quirk & Fort, 1992). Similarly, the franchise owners began to challenge league governance structures during this era to obtain alternative arrangements that would empower the clubs to dictate the terms of their relationships with key buyers (Quirk & Fort, 1992). Finally, rival leagues also challenged the major leagues' dominance in the field by employing the state, more specifically the Sherman Antitrust Act, as a vehicle to assert their power in the field and bring about more equitable arrangements among actors (Quirk & Fort, 1994). Thus, formal legal means were employed as a primary means to facilitate the transformation of the governance structures of this organizational field. This era represented a turbulent period during which the powers historically held by the leagues were challenged and, as a result, more contemporary means to govern economic interaction among actors in the field emerged during the subsequent era.

Era of Corporate Dominance: 1984 to 1997.

The Dominance of Particular Types of Actors. The influential institutional actors during the second era were the corporations that became embedded within the economic firmament of this organizational field. The erosion of the leagues' traditional authority, primarily due to challenges raised during the first era, reduced their ability to direct the tone of the field. Increased corporate ownership of professional sport franchises and changing patterns of relations between the leagues and franchises and their key buyers, specifically broadcasters and corporate sponsors, resulted in the dominant presence of corporate actors within the field during this era. Corporate ownership of sport franchises was evident during the first era, however this type of control of the sport product became pervasive during the contemporary era given the plethora of vertically integrated firms investing in sport franchises and the tendency of these firms to leverage club ownership to enhance the profitability of their other assets. Johnson (1997) suggested that firms were attracted to sport franchises because of a powerful mix of strategic alliances available through club ownership. He stated that "the emergence of sport franchises as solid brands that can be exploited in numerous ways, and the opportunity to blend sports with companies' entertainment properties in stadium and arena complexes" underpinned corporations' investment in sport. This view recognized an entertainment brand as a set of managed alliances with sport franchises representing a core asset and link to forging relationships with other firms within the field (Johnson, 1997).

While the NFL resisted corporate ownership until 1997 (CNNSI, 1997), the leaders of the three remaining leagues were extolling its virtues by the late 1980s and early 1990s. For example, Russ Granik, deputy commissioner of the NBA, outlined his league's perspective on corporate ownership when he stated " We encourage corporate ownership because of the strength, stability and leadership it brings to a franchise"

(Galarza, 1995b, p. 32). Los Angeles owner Peter O'Malley, reflecting upon his decision to sell the team to media giant Rupert Murdoch, stated that (Johnson, 1997, p. 42):

> Corporate ownership is the way of the future, and I think that's good. In many cases, corporations have a greater sense of responsibility and more financial stability - as well as fewer personal agendas than some of the individuals who have bought franchises, and that appeals to me a lot. Corporate ownership is good for sports.

The owners of professional sport franchises during this era were among the wealthiest people in the United States and Canada. By 1988, according to Merwin (1988), among the 400 richest people in the US, 24 owned 30 percent or more of a major professional sports team. By 1997, 52 public companies owned, either wholly or partially, the 113 NBA, NHL and MLB franchises existing in the field (Johnson, 1997). Galarza (1995a) suggested that the Walt Disney Corporation and ITT Corporation were representative of the new model of ownership of professional sport teams. Disney's ownership of theme parks, the Mighty Ducks NHL team, the California Angels MLB franchises, and a local television station was enhanced in 1997 when this entertainment company purchased the ABC Television Network and 80 percent of the cable broadcasting company ESPN, Inc. (Team Marketing Report, 1998). ITT Corporation, by comparison, owned entertainment-related properties such as the ITT Sheraton hotel chain, Caesar's World casino resorts, 11.5 percent of Madison Square Garden media which, in turn, owns the New York Rangers (NHL) and New York Knicks (NBA), as well as the Madison Square Garden arena (Team Marketing Report, 1998; Galarza, 1995). This type of internally-linked organization, where entertainment-related holdings were coupled with two or more sport franchises under an umbrella organization, was typical in the contemporary era. The number of cross-owned franchises increased from 11 at the outset of the Era of League Dominance to 35 during the contemporary era (Quirk & Fort, 1992; Team Marketing Report, 1998). Thus, the emergence of this type of multidivisional corporate owner enhanced the degree of system coupling in the field and heightened the density of ties among actors.

The influence of the players' associations was also more profound during this era. The onset of free agency, the absorption of rival leagues and the education of the athletes by their unions contributed to the meaningful shift in their role in the organizational field. This shift was manifest in turbulent labor-management relationships during this era with three of the four leagues experiencing strikes or lock-outs (Quirk & Fort, 1992; Helyar, 1994; Cruise & Griffiths, 1991). The NBA's labor relations were the most stable during this era given this league's innovative formula that included a revenue-sharing agreement together with a cap on salaries for each franchise (Gorman & Calhoun, 1994). This collaborative agreement was underpinned by an astute understanding of the interdependence of the owners and players and the need to stabilize the league by providing owners with predictable labor expenses and the players with an equitable share of league revenues.

The Use of Selected Institutionalized Logics. A dominant institutionalized logic, as opposed to coexisting logics that characterized the first era, existed in the organizational field during this era. The beliefs and logics of action of the league and franchise leaders demonstrated a homogeneous world view that underpinned surprisingly similar strategies in the areas of broadcasting, parity, labor relations, growth and marketing. The leaders' widely held beliefs that the domain of their firms was the entertainment industry, rather than sport-specific domains, facilitated the emergence of uniform product and market related strategies across the four leagues. The dominant institutionalized logic that set the tone for the field during this era emphasized: 1) the symbiotic nature of actors in the field, 2) the need for collaborative strategic alliances that facilitated risk-sharing and reduced uncertainty, and 3) the value of sport franchises as "software" or linking mechanisms in a network of global entertainment-related firms. This logic underpinned a number of new practices that were adopted by the leagues and franchises in the areas of relationship management, product diversification and expansion. Interestingly, successful new practices were diffused rapidly throughout the field with franchises in each of the four leagues, and the leagues themselves, adopting similar strategies in each of these areas. For example, by the early 1990s, each of the four leagues encompassed a marketing arm, labeled a Properties or Enterprises Division, responsible for league-wide marketing, the sale of sponsorships and broadcasting rights, and licensing programs (Gorman & Calhoun, 1994). These divisions centralized power for this crucial aspect of their operations at the level of the league and facilitated the marketing of bundled packages of league properties and television advertising. Furthermore, the leaders' awareness of the need for collaborative and standardized practices across their franchises became more pronounced with the NHL, MLB and the NBA each introducing Team Services departments designed to facilitate information sharing and the diffusion of best practices among clubs (B. Gamgort, personal communication, May 23, 1997; P. Hanson, personal communication, June 2, 1997).

The evolution of the leagues' relationships with broadcasters provide evidence of the dominant logic that existed in the field during this era, as well the factors that contributed to its emergence. Whereas the leagues employed varying beliefs and strategies pertaining to broadcasting contracts during the first era, the more contemporary era demonstrated the leaders' cognizance of the symbiotic nature of their relationships with these firms, as well as their heightened awareness of opportunities to leverage their alliances with broadcasters. During this era, the leagues' linkages with network television companies were uniformly characterized by revenue-sharing agreements (W. Daugherty, personal communication, June 3, 1997; Grimm & Lefton, 1993) and opportunities for the leagues to sell television advertising jointly with their broadcasting partners (W. Daugherty, personal communication, June 3, 1997; Grimm & Lefton, 1993). The leaders' awareness of the benefits and synergies available through more proximal linkages with broadcasters represent a meaningful difference in the institutional logics characteristic of the two eras identified in this study. Yet, the pace of adoption of practices demonstrating the league's comprehension of this shift were not uniform across the four leagues. The shift in the logics of action from coexisting world views towards broadcasting to a dominant, homogeneous belief among the leaders of the four leagues unfolded over a 10 year time period with the leaders' cognizance of the new way of shaping relations with these key bargaining partners arising at varying times.

The NBA, under the leadership of commissioner David Stern, was the first league to demonstrate awareness of the synergies available through more proximal linkages with its network broadcasters and the interdependence of these communities of organizations. Stern's view of the league and its relationships with other actors in the field differed from that of his predecessor. Russ Granik, deputy commissioner of the NBA, recalled (D'Alessandro, 1995, p. S-7):

> When David took over as commissioner in 1983, his view of the world was novel. He said there must be a binding relationship between the league, sponsors and television. It's funny: That's generally recognized by every sport now, but only David seemed to understand that then.

In 1984, the NBA signed a four-year contract with CBS valued at $88 million. Ten years later the league was engaged in a $1.4 billion four-year contract with the same network. This increase in the value of the contract and the strength of the relationship between the league and its broadcasting partner were discussed by Dick Ebersol, president of NBC Sports, who attributed it to their unique revenue-sharing agreement (Sherrington, 1994). Ebersol said of Stern (Labich, 1995, p. 30) "He understands the concept of partnership better than anyone else in the sports business."

Relationships between the NBA and its member franchises and broadcasters began when the franchises began involving their media partners' advertising in their packages of sport properties. Radio and television advertisements, for example, were bundled into packages with the franchise's sponsorship properties (W. Daugherty, personal communication, June 3, 1997). This innovative practice enabled the corporate buyers to purchase sport properties, such as signage or luxury suites, together with television advertising with considerable ease as these properties were sold together as bundled packages (P. Hanson, personal communication, June 2, 1997). Importantly, NBA leaders were aware of the value of working with sponsors who would, in turn, purchase advertising from the league's broadcasting partner. Stern stated (Swift, 1991, p. 85):

> It's a very high priority of ours that our sponsors think the NBA on NBC is a place they ought to be. If we were approached by two potential advertisers who make similar products, one of which would support the NBA on NBC and the second of which wouldn't, we would go with the first one - even if the second company were to put more money directly into our pockets.

This league leaders' comprehension of the importance of their symbiotic relationship with broadcasters initially differentiated it from the other leagues. By the 1990s, however, the other three leagues also adopted this practice with the NFL, NHL and MLB each amalgamating their broadcasting partners into the league head offices and offering league-wide sponsorships and media advertising to valued corporate partners (W. Daugherty, personal communication, June 3, 1997; Grimm & Lefton, 1993).

Furthermore, the NBA leaders were also cognizant of the use of television as a domestic and global marketing vehicle. In domestic markets, Stern realized the benefit of promoting the NBA and its athletes through sponsors' television commercials. While the other leagues resisted opportunities for their athletes to generate revenue through sponsors given the potential it created for an alternative source of power, the NBA embraced these opportunities to highlight its athletes (Halberstam, 1996). According to Halberstam (1996, p. 37) "Stern encouraged the symbiosis between this league and its commercial sponsors. He made his players as sponsor-friendly as possible." Under this strategy, the personalities and images of the NBA's athletes, Michael Jordan in particular, were broadcast throughout national and international marketplaces thereby promoting the league and its global brand. Furthermore, this league pursued television contracts in countries around the world and, during the 1989-90 season, NBA games were broadcast in 80 countries with an estimated audience of 200 million households. By 1995, basketball was televised in over 150 countries and 550 million homes (Halberstam, 1996).

The NFL's beliefs and logics of action pertaining to broadcasting reflected the dominant ideas and beliefs of the contemporary era, although this league remained the only one to centralize decision-making pertaining to the sale of its television rights at the level of the league. Commissioner Paul Tagliabue discussed the leagues' partnership relationship with its broadcasters when stating "Our priority at this time is to support our five network partners - ABC, CBS, ESPN, and TNT. They have been the cornerstone of the NFL's success for many years. Our focus is on continuing to make this arrangement work" (Between the Lines, 1992, p. 10). The commissioner of this league was also cognizant of the power of television to promote the game in domestic and international markets. He stated (GameDay Magazine, 1989, p. 71):

> What's really happening is the world is more and more becoming a global entity so far as television and sports are concerned. The NFL started [overseas] on television, the games abroad in London and elsewhere followed, and the result is tremendous interest. The new international league [World League of American Football] will fuel things even more and, by 1992, when the Common Market starts, Europe will have as many television sets as TV homes in the U.S.

Interestingly, this league entered into a joint venture with Fox Broadcasting in 1993 to pursue both firms' global market penetration strategies (Mandese & Jensen, 1994). The relationship with Fox Broadcasting represented a quintessential linkage of this era with the league and broadcaster entering into a multifaceted partnership that involved the NFL's broadcasting contract in North America, a joint venture with each partner owning the NFL's World League in Europe, and broadcasting opportunities in Europe with Fox Broadcasting's parent company, News Corporation (Mandese & Jensen, 1994). Furthermore, Fox was committed to promoting the NFL to its younger audience by highlighting the league's athletes and commentators on television programs such as *Sinbad* and *The Adventures of Brisco County Jr.* (Mandese & Jensen, 1994). While anticipated losses incurred by Fox were to be considered capital investments and written off as the cost of doing business when building a network (Sandomire, 1993), this relationship proved to be highly successful when 36 stations abandoned their networks in favor of a relationships with Fox Broadcasting (McClellan, 1994).

Major League Baseball also entered into innovative types of relationships with broadcasting partners during this era. The league's joint venture relationship with ABC and NBC that created *The Baseball Network* in 1993 was representative of the revenue- and risk-sharing transactions that characterized league-broadcaster linkages during the second era. The evolution of this league's relationships with its broadcasting partners provides an indicator of the changes in the contemporary logic underpinning its broadcasting strategy, as well as the reasons for adopting the dominant logic of the new era. The shift from traditional broadcasting contracts with the networks to a partnership was underpinned by the leaders' growing awareness of the need to reduce uncertainty and work collaboratively to sell advertising to corporate sponsors.

Major League Baseball empowered its franchises to sell local broadcasting rights, however in 1980 the revenue generated from the sale of contracts to national networks exceeded those raised by local agreements (Helyar, 1994). Thus, at the dawn of the new era, MLB was in the process of negotiating an important contract with its broadcasting partners, ABC and NBC. In time, the two networks signed a six-year agreement valued at $1.125 billion (Helyar, 1994). This relationship would become problematic for the networks when a plethora of cable companies emerged and signed local agreements to broadcast MLB games during the term of the relationship. Consequently, the networks lost 25 percent of their prime-time audiences in the 1980s to cable broadcasting networks and, as a result, both ABC and NBC were loosing money on their contracts with MLB (Helyar, 1994). It was not surprising, then, that CBS lost over $500 million on its contract with MLB that extended from 1990 to 1993 (Martin, 1994).

Given the unprecedented losses experienced by CBS, the networks were reluctant to enter into subsequent agreements with MLB. As a result, MLB established *The Baseball Network*, a joint venture with ABC and NBC. Under the terms of this relationship the networks broadcast the games while MLB was responsible for attracting advertisers in exchange for a share of the revenues (Martin, 1994). MLB's goal was to generate $180 million in advertising income by establishing relationships with 25 corporate partners (Martin, 1994). Interestingly, *The Baseball Network* ended prematurely after only one season due to the players' strike and was dissolved in favor of a contract with Fox Broadcasting (P. Beeston, personal communication, May 25, 1997). Paul Beeston (personal communication, May 25, 1997), president and chief executive officer of the Toronto Blue Jays, suggested that the league erred in launching the Network initially as "we should have let intelligent people [network executives] do what they do best and we're not in the television business." Yet, he believed the league erred again by not giving the innovative entity a chance when Fox Broadcasting aggressively pursued a relationship with MLB. Fox Broadcasting approached MLB with a lucrative financial contract that also included promises of on-the-field innovations, such as pin-size cameras and microphones on the coaches, a children's television program, and phone-in shows before and after matches to personalize the game and its presentation (P. Beeston, personal communication, May 25, 1997). Beeston (May 25, 1997) suggested that MLB was continually seeking to strengthen its relationship with Fox Broadcasting to take advantage of opportunities for revenue generation, for expanded distribution of the MLB product, and for avenues to develop new national and international markets.

The NHL's broadcasting strategy, and the ideas and beliefs underpinning it, changed dramatically in 1992 under the league's new commissioner, Gary Bettman. The sequence of events contributing to this league's adoption of the contemporary logic of this field pertaining to broadcasting did not emerge until the early 1990s. It appears that this organization's leadership, the league's commitment to preceding strategies pertaining to television, and limited regional market penetration contributed to this league's marked delay in adopting the contemporary ideas and beliefs prevalent in their organizational field. For example, in 1984, the league's leader , John Ziegler, appeared to be unaware of the importance of a national broadcasting contract as a means to promote the game and generate revenue. He stated:

> I'm very happy with where we are. There is nothing wrong with being jealous of the dollars football gets from television. Football is in the business of making money. That is number one with them. The rest of us are in the entertainment business. Hockey and the atmosphere in the arena. That's what we present. In the last four years, we have broke our attendance record each season. That suggests from an entertainment standpoint that our business is quite healthy (Gutwillig, 1984, p.10).

Given Ziegler's apparent satisfaction with the NHL's broadcasting strategy, initiatives designed to increase the league's attractiveness to the networks, such as strategically locating franchises in south-western United States, were not pursued aggressively. For example, rather than emphasize market penetration into cities in the United States, in 1991 the league situated an expansion franchise in Ottawa (B. O'Neill, personal communication, May 15, 1997). Furthermore, John Ziegler entered into an agreement with SportsChannel America that generated only $51 million over a three year time period and limited the exposure of the league to only 9 million households (Lefton, 1993). The collective dissatisfaction of the Board of Governors with the president John Ziegler's regional-local broadcasting strategy contributed to their decision to recruit a new leader for the league (B. O'Neill, personal communication, May 15, 1997). The NHL enlisted Gary Bettman from the NBA to succeed Ziegler given the success of this league and Bettman's seasoning under commissioner David Stern.

Almost immediately, Bettman altered the direction of the league's broadcasting strategy by hiring a chief executive officer, Steve Solomon, the former senior vice president of sports planning and administration at ABC (Cohen, 1994), and new vice president of broadcasting (Lefton, 1993). Next, he entered into a broadcasting contract with ABC to televise five play-off matches (Lefton, 1993) and with the Entertainment and Sports Network (ESPN) whose penetration into 65 million cable household increased the league's exposure (Lefton, 1993). Furthermore, the league began experimenting with innovative technology, such as robotic cameras mounted closer to ice level, to enhance the televised product for viewers (Lefton, 1993). Finally, Bettman engaged firms such as Nike and Anheuser-Busch to promote the NHL's athletes and the game itself (Cohen, 1994). Notwithstanding these initiatives, Bettman was cognizant of the importance of a national broadcasting contract and the need to attract the networks by penetrating key marketplaces in the United States through expansion. Accordingly, new teams were soon strategically situated in Florida and California to expand the league's exposure throughout the United States (Joyce, 1994).

In 1993, the league signed a contract with Fox Broadcasting that facilitated national exposure of the game and its athletes (Cohen, 1993). The changes initiated by Bettman were cited by Fox Broadcasting executives as a reason for their interest in a relationship with the NHL. David Hill, president of Fox Sports, stated (Prince, 1994, p. 6):

> From our viewpoint, we've been looking at hockey very closely the last two years. With the expansion of the league, the sport has really escalated in the last two years. A lot of that is thanks to Gary [Bettman] and Steve [Solomon], and the fantastic job that ESPN has done in promoting and covering the sport.

Despite the league's initiatives, however, its prolonged absence from network television diminished its ratings and attractiveness to the networks (Prince, 1994). Given this, the NHL's contract with Fox Broadcasting was geared toward reducing the broadcasters' risk. Under the terms of the relationship, the NHL sold its own advertising for the games and the Fox did not pay any money up front, with Fox making up the difference should the league fall short of its $30 million advertising revenues (Sun News Services, 1994).

The Use of Certain Types of Governance Mechanisms. The strategies enacted by the leagues, together with the expressed views of the leagues leaders, provide evidence of the institutionalized logics that were commonly held by the actors in this field during this era. The governance mechanisms in the field during this epoch, however, were also subject to change resulting from the erosion of the league's historical dominance of the field, the growing awareness of actors of their interdependence, and the need for collaborative relationships. Comparable to the first era, the state continued to play an active role in shaping the emerging governance structures of the field as actors continued to seek new forms of control that ensured their equitable representation. Of particular interest during this era was the emergence of market-level governance mechanisms that both reflected and contributed to shifts in the actors' logics of action.

The erosion of the league's authority to dictate the terms of interaction among the producers, buyers and suppliers in the field created a vacuum compelling actors to create alternative means of governing their relationships. The exchange processes that evolved in the field exemplified the actors' growing awareness of their mutual interdependence and the need for linkages that fostered more equitable allocation of resources in the field. At the level of the leagues, internal governance mechanisms such as the Team Services departments were introduced to foster a collaborative world view among franchise executives. This department also coordinated activities among the franchises and facilitated information sharing among top executives across the league. This body enabled the commissioner's offices to play a meaningful role in governing relations among actors within the league given their reduced power to dictate the terms of these relationships. The Team Services departments also provided opportunities for the league to standardize the quality of the core product across the league and ensure relationships with buyers, such as corporate sponsors, were managed effectively and efficiently.

Market-level transaction relations among the suppliers of services in the field and their key buyers and suppliers also evolved significantly during this era. The leagues' relationships with broadcasters, for example, demonstrated the actors' cognizance of the risks inherent in their industry and the need for collaborative forms of relationships that reduced uncertainty, encompassed revenue-sharing, and enabled both partners to strengthen relationships with corporate sponsors. These forms of linkages provided more efficient ways to control the means of production and share resources and information among actors. Interestingly, cable and network broadcasters in the field dealt with their turbulent environment by adopting hierarchical types of organizational forms to control the means of production in the field. Thus, the plethora of multidivisional entertainment conglomerates purchasing sport franchises during this era supplanted the market as the mechanism for exchanges in this organizational field.

The relationship that emerged between the leagues and their suppliers of talent, the players' associations, also reflected the shifting market-level governance mechanisms that evolved in response to actors' dissatisfaction with the current regime. The introduction of the revenue-sharing and salary cap formula in 1984 that underpinned more stable labor-management relations in the NBA, for example, was precipitated by the franchises' severe performance crises and the players' dissatisfaction with the current allocation of resources. The owners were seeking longer-term agreements with their athletes that also provided predictable labor expenses. The players, on the other hand, sought more control over the terms of exchange and a more equitable share of the leagues' resources. The labor agreement that evolved was indicative of the actors' awareness of their mutual dependence and their cognizance that they were involved in a common enterprise.

Finally, the state continued to play a meaningful role in the transformation of governance regimes in this organizational field during this era. While the decade encompassing the 1970s proved to be the most turbulent in relation to changes mitigated by the state, the actors' continued struggles raised in antitrust court throughout this era enabled the state to contribute to the evolution of governance structures in this organizational field. The state's interpretation of the Sherman Antitrust Act through the court system both hindered and facilitated opportunities for actors to assert their dominance in the field and control the core product.

Discussion

The interdependence among an organizational field's actors, their beliefs and governance regimes have been emphasized by institutional theorists (Scott et al., forthcoming; Fligstein, 1991; DiMaggio, 1991). Shifts in one element of an organizational field facilitates concomitant changes in the remaining dimension of the field. Given this, the transformation of the institutional logic of an organizational field was shaped by and shaped the key players in the field as well as its governance mechanisms. The actors embedded in the network of firms under study, the dominant logics of action that underpinned their decision making, as well as the governance structures that guided the field evolved over time with two distinct eras evident based upon the meaningful changes in these dimensions. While our understanding of the nature of the shifts that occurred in this field have been enhanced, our knowledge of the source of new ideas, the factors that contributed to their emergence into the field, and the dynamics involved as the widely held ideas and beliefs of actors changed over time have yet to be discussed.

The dramatic transformation of the organizational field encompassing North American major league professional sport organizations, as discussed in this paper, provides insight into the turbulent nature of this organizational field. The actors carrying the institutional logics changed as did the structure of the industry in which they were embedded. The exchange processes that characterized the linkages binding the producers of services to key buyers and suppliers became stronger and their network more tightly coupled. The actors' beliefs regarding their domain, criteria of effectiveness and principles of organizing evolved as their conceptions of their technical and institutional environment changed. Finally, the transformation of league-, market- and state-level governance structures, resulting primarily from struggles among actors in the field, were evident. These changes in the organizational field resulted in the emergence of two distinct eras, the *Era of League Dominance* and *the Era of Corporate Dominance*, that were differentiated by their actors, their institutional logics of action and their governance regimes. These eras reflect marked differences in each of the three elements of this organizational field. Yet, the factors that contributed to the shift from one era to another, and those that precipitated the destabilization of the dominant beliefs and logics of action of the first era warrant further discussion.

Changing logics of action have been attributed to factors from within and beyond a field's boundaries (Scott et al., forthcoming). Trigger events facilitating the introduction of new ideas may include the emergence of new actors into the field (Fligstein, 1991), and experimentation by actors at its periphery (Leblebici et al., 1991). However, theorists exploring the collective beliefs of networks of industrial actors have suggested that institutionalized logics of action are not so easily forsaken (Prahalad & Bettis, 1986; Oliver, 1992; Abrahamson & Fombrun, 1994; Fligstein, 1991). On the contrary, the actors' shared assumptions represent a stabilizing force within organizational fields (Fligstein, 1991; Oliver, 1992). The deinstitutionalization of commonly held beliefs and institutional practices may result, however, when once shared understandings are disrupted by political, functional and social mechanisms (Oliver, 1992). Changing the beliefs and logics of action of a collection of actors, then, is a dynamic process that involves the erosion of a previously held world view in favor of a new collectively held set of beliefs.

Triggers for change are apparent in the organizational field encompassing North American professional sport leagues. Evidence of these catalysts were found in the changing actors in the field, their experimentation with new organizational forms and practices, and the erosion of the dominant governance system that was prevalent during the *Era of League Dominance*. For example, the emergence of the community of cable networks, the onset of practices such as bundling, and the granting of free agency to the players represent trigger events that impacted this organizational field. These events contributed to the introduction of new ideas into the field and the subsequent diffusion of successful practices among the communities of actors. These factors contributed to the displacement of previously held beliefs about how best to conduct operations in favor of a more contemporary world view centering upon the nature of their common enterprise and how best to compete within it.

According to Fligstein (1991) actors entering into an organizational field provide examples which are then emulated by existing firms. New ideas, beliefs and practices that support the interests of actors are adopted and, over time, become institutionalized within the field. In this organizational field, the entrance of new actors carrying unconventional beliefs contributed to the transformation of its dominant logic. For example, the new franchise owners, who were often part of the emerging population of cable broadcasting companies, were representative of the individual and communities of actors that emerged into this organizational field during the time period under study. In unique ways these players contributed to shifts in the dominant institutionalized logic in the field. According to Beamish (1991), the emerging collection of NHL team owners, for example, were part of a relatively tightly knit economic elite in Canada and the United States. These members of the corporate establishment drew from vast pool of expertise, advice and personal networks that, in turn, influenced their choice of strategies. Owners such as these operated their franchises within the context of strongly market-oriented liberal ideology that shaped their beliefs in key areas such as labor relations (Beamish, 1991). This shared common sentiment among also contributed to their solidarity on key issues confronting the leagues. Thus, the new corporate owners of sport franchises affected the dominant logic of the field through their dense network of ties that facilitated the diffusion of ideas, and through their common ideology.

Innovative ideas were also introduced by actors within the organizational field. Interestingly, actors residing at both the core and periphery of the field experimented with innovative practices that subsequently became widely adopted among actors. While Leblebici et al. (1991) suggested that actors situated at the periphery of a field are more likely to experiment given their less powerful position and reduced cost of failure, it appears that the performance crisis experienced by centrally located firms facilitated experimentation by these actors. The NBA, for example, experimented with new forms of linkages with their players' association after its member clubs experienced severe financial crisis. Similarly, MLB launched a joint venture with its network broadcasters following the television networks' unprecedented losses on their baseball contracts. It appears that the institutional environment in which these firms were embedded supported experimentation by central actors given the potential impact of the collective failure of an entire community of organizations. Fligstein's (1991) contention that cooperation is expected when all members benefit from the formation of stable relations among actors may provide insight into this phenomena. The players' unions and broadcasters had a vested interest in experimentation by the leagues given their dependence upon them for valued resources. Furthermore, centrally located firms are more likely to successfully encourage other organizations to go along with cooperative actions (Fligstein, 1991).

Experimentation also took place among firms at the periphery of the field. The franchises, for example, began to develop innovative forms of relationships with broadcasters that facilitated improved customer service to corporate advertisers. Practices such as bundling sport properties together with television advertising were introduced by the franchises and became widely adopted throughout the organizational field. The actors' growing awareness of their interdependence and opportunities to achieve strategic competitive advantages through more cooperative endeavors facilitated the adoption of more proximal relationships and practices that strengthened ties among actors. Interestingly, the involvement of broadcasting companies in these innovations may have resulted from their unique interpretation of how best to cater to the needs of corporate sponsors. Fligstein (1991) suggested that the position an actor occupies might provide interpretations that would construct or resolve an organizational dilemma. The franchises' vertical integration by cable broadcasting companies facilitated the diffusion of ideas from the broadcaster to the sport club about how best to attract and satisfy corporate clients through bundling and leveraging sport and advertising properties. Thus, the franchises were uniquely positioned to sense, interpret and enact ideas from cable companies that benefited actors in the field.

The introduction of new leaders into the leagues also facilitated shifts in the ideas and beliefs of actors in the field. Commissioners such as David Stern (NBA), Gary Bettman (NHL) and Peter Ueberroth (MLB), who were recruited from within and beyond the boundaries of the field, had a significant impact upon the world view of owners and executives within their respective organizations. Interestingly, while the commissioners may have introduced new ideas and beliefs into the leagues, it appears that the franchise owners' acceptance of these new conventions, and willingness to adopt innovative practices, contributed to their eventual adoption. Each of the three leagues noted above were experiencing severe financial crises in their organizations prior to the arrival of the new commissioner. According to Oliver (1992), the recruitment of a new leader whose beliefs differ from those of a predecessor is one indicator of mounting pressure for change.

Furthermore, the franchise owners in these leagues cited the success of other leagues in the field who were enacting strategies underpinned by the contemporary logic as a reason for recruiting new leadership and adopting new practices. Fligstein (1991) contended that the existence of a key actor who is able to articulate a new view of the firm's strategy, and who has the power to implement that view, is a powerful force for change within an organization. David Stern, for example, used Disney as a model for the NBA to emulate. He articulated the similarities of the NBA to this entertainment company and, as a result, provided a new vision for organizational actors within this league. Similarly, Gary Bettman was recruited from the NBA and, as such, was able to express the view of the world that underpinned the success of that league. Finally, Peter Ueberroth was hired by MLB following his unprecedented success with the Los Angeles Olympic Games and his marketing-oriented view of the world. In each of these cases, other actors in the field served as role models, a phenomena that Fligstein (1991) suggests facilitates change in an organization's strategy. For actors to precipitate change, they must create an organizational "story" that solves performance problems. Once these perceptions are spread across the field, there are pressures for other firms to conform (Fligstein, 1991).

As previously stated, innovative ideas entered into the field from beyond its boundaries and were generated by actors at the core and periphery of the field. Yet, what factors facilitated the erosion of the fields coexisting logics in favor of a dominant view of the world? The performance crisis experienced by firms in the field represents one key factor that facilitated change. Oliver (1992) suggested that political pressures for change may arise during periods of performance crisis as disharmony among managers may fragment shared interpretations about the appropriate course of action. Furthermore, conflict with key bargaining partners may also erode consensus regarding the effectiveness of particular practices (Oliver, 1992).

The leagues' and franchises' contemporary interpretations of their firm's purpose, ways of operating, and relevant performance criteria, demonstrated the erosion of previously held ideas and beliefs. For example, the criteria of effectiveness employed by the leagues and franchise shifted from indicators related to fan attendance and revenue generated at the gate, to those concerning broadcasting, merchandising and relationships with corporate sponsors. These indicators reflected a change in the producers of services' dependence upon the fans as a major source of revenue to broadcasters and corporate sponsors. A change such as this, according to Oliver (1992), may destabilize the traditional beliefs of actors as new goals and performance indicators are clarified. Functional pressures resulting in deinstitutionalization may arise when rewards from environmental constituents change. Thus, the league's shift from catering to the needs of fans to addressing their firms' interdependence with cable and network broadcasters may have contributed to shifts in the ideas and beliefs of actors.

A shift such as this in the leaders' ideas and beliefs pertaining to their domain, criteria of effectiveness and principles of organizing has considerable organizational implications. According to Hinings and Greenwood (1988), the ideas and beliefs of organizational actors underpin the structures and systems of their firms. Given this, a dramatic change in the beliefs of league and franchise leaders, such as those illustrated in this research, necessitates concomitant shifts in the structures and systems constituting the organization's design. Failure to achieve design coherence through the successful reorientation of a firm may result in discordant design elements or tension between two contradictory sets of ideas and beliefs (Hinings & Greenwood, 1988).

The struggles among actors and their subsequent mitigation by the state facilitated the erosion of the field's governance structures, particularly at the league level, and contributed to shifts in the ideas and beliefs of actors. The league's authority to dictate the terms of its relationships with key bargaining partners, and relations among other communities of actors in the field, were challenged in antitrust court by the players' associations, by the franchises, and by rival leagues (Quirk & Fort, 1992). During the first era, the watershed of court cases facilitated the erosion of the league's power in the field (Quirk & Fort, 1992). Of interest, however, were the market-level governance mechanisms that emerged in the field during the Era of Corporate Dominance to facilitate ongoing interaction among the communities of actors. Innovative forms of relationships, such as partnerships, strategic alliances and joint ventures surfaced during the second era as a means to stabilize the field through the collective behavior of firms. The contemporary patterns of exchange relationships were underpinned by an institutional logic that reflected the need for a more equitable allocation of resources in the field, and a need for risk-sharing linkages reflected the interdependence of actors. Lindberg, Campbell and Hollingsworth (1991) found that when traditional governance mechanisms fail, actors search for and devise alternative means of governing their relationships. They highlighted the notion that struggles among actors in a field represent a compelling dynamic facilitating change at this level of analysis. Furthermore, the inefficient allocation of resources was cited as a central factor compelling actors to seek alternative governance arrangements.

The changing patterns of relations among actors, however, also affected the leagues' adherence to commonly held ideas and beliefs. The new forms of stronger linkages facilitated the diffusion of ideas and beliefs and altered patterns of loyalty among firms. Oliver (1992) suggested that changing patterns of relationships contribute to the destabilization of institutional values as their legitimacy is called into questions. Furthermore, shifts in the patterns of interaction of the network in which a firm is embedded also contribute to changes in actors ideas and beliefs as the firms evolve to deal with their shifting institutional context (Oliver, 1992). The leagues' more proximal linkages with corporate sponsors and broadcasters also fostered opportunities for change in the beliefs of actors. Changing power structures may result, according to Kanter (1989), as responsibility for dealing with valued partners, and decisions pertaining to them, are delegated to individuals at lower levels of the organization's hierarchy. Finally, the increase in the cross-ownership of franchises contributed to interlocks among the Boards of Governors of the four major leagues thereby facilitating the diffusion of ideas and strengthening ties among this community of actors. Lindberg et al. (1991) found that interlocking corporate directorates act as a stabilizing force within markets. Obligational networks such as those generated by interlocks also facilitate heightened surveillance within a field and foster personal relations within a business community that often help informally mediate exchanges and generate standards of behavior between firms (Granovetter, 1985).

Finally, the emergence of hierarchical forms of governance mechanisms in this organizational field also reflect the actors' desire for more stable forms to control. The vertical integration of professional sport franchises by multinational entertainment companies, primarily during the second era, reflected the actors' need to build formal structures to replace market contracting systems that operated during the first era. It appears that the asset specificity, environmental uncertainty, and heightened opportunism in the field compelled corporations, network and cable broadcasters in particular, to purchase sport franchises. According to Lindberg et al. (1991) actors will develop hierarchically integrated organizational forms to supplant the market as a primary forum of exchange under circumstances such as the one in this organizational field. This form of governance both resulted from and fostered shifts in the ideas and beliefs of actors. Actors' beliefs pertaining to the value of the sport product within the market changed as competition among broadcasters intensified following the emergence of cable broadcasters in to the field. Furthermore, the awareness of actors of the value of sport franchises as a key link in a network of global entertainment properties also facilitated the vertical integration of sport franchises by multinational corporations. These realizations by the initial adopters of this form of organization provided a model that was subsequently emulated by their competitors. Over time, actors' cognizance of the importance of sport clubs were enhanced and, as such, this practice became institutionalized within the field.

Summary and Conclusions

The purpose of this paper was to explore the shift in the beliefs and logics of action of actors in the organizational field encompassing North American professional sport leagues. Scott et al.'s (forthcoming) framework for uncovering the temporal eras of organizational fields was employed to identify shifts in the actors, beliefs and governance structures of one organizational field over a period of 27 years. This framework facilitated the identification and comparison of two dominant eras, the *Era of League Dominance* and the *Era of Corporate Dominance* that were differentiated based upon the elements identified by Scott et al. (forthcoming). Over the last 27 years, the technical and institutional environment encompassing professional sport leagues changed dramatically as new actors entered the field, as innovative exchange processes emerged, as the ideas and beliefs of actors change, and as the governance mechanisms of this field evolved. Consequently, the commonly held ideas and beliefs guiding actors and underpinning their strategic choices transformed in response to these changes.

The transformation of the institutionalized logic of this organizational field was a dynamic process involving concomitant shifts in the actors in the field, their beliefs and logics of action, as well as their governance structures. The erosion of previously held beliefs of actors was facilitated by the disintegration of governance mechanisms in the field as well as challenges to the commonly held world views of actors that coexisted in the field during the first era. The ideas and beliefs that supplanted the logics during the *Era of League Dominance* emerged as new actors entered the field, as firms at the core and the periphery of the field experimented with innovative organizational practices, and as actors' contemporary views of their domain changed. Furthermore, the presence of political, function and social pressures from the institutional environment in which these actors were embedded facilitated the emergence and adoption of new ideas and beliefs.

This research highlighted important aspects of the changing institutional logics that were previously overlooked in research uncovering shifts in the collective beliefs of actors embedded in the same environment. The effect of new actors entering into a field upon the beliefs of previously established actors were discussed by Scott et al. (forthcoming). While these researchers noted that new entrants encompass ideas that may differ from those commonly held by actors in the field, the role of common versus fragmented ideologies held by new entrants were not discussed. Furthermore, the ability of actors situated at the centre of a network to introduce new beliefs and practices through experimentation were recognized in this research. Thus, an actor's location in a network is not the only factor indicating whether or not they will engage in experimentation as was indicated in previous studies (Leblebici et al., 1991). Finally, the existence of role models for emulation, trigger events, and firm performance also emerged in this research as important factors contributing to the adoption of a new institutional logic among firms in the same environment.

A central contribution of this research to institutional and cognitive theories. These perspectives contended that the dominant ideas and beliefs of a collection of actors are associated with increased levels of inertia, rather than change (Abrahamson & Fombrun, 1994; Porac et al., 1989; DiMaggio & Powell, 1993). Research has demonstrated that the dominant beliefs of a community of organizations constrain strategic opportunities of individual firms as accepting the collective world view often necessitates the exclusion of alternative ways of viewing the world (Porac et al., 1989). Nevertheless, this study found evidence of dramatic shifts in the dominant institutional logic of a collection of professional sport organizations. Furthermore, theorists have attributed the collective failure of industries to the dominant way-of-thinking embraced by managers in the same industry (Huff, 1982; Porac et al., 1989; Spender, 1989). By comparison, this research uncovered the emergence of innovative beliefs and practices that enhanced the performance of this collection of actors, rather than leading them into a collective myopia.

Additional research that explores the intra-organizational factors that contribute to or inhibit the adoption of the dominant institutionalized logic of a field are needed. In this vein, investigations of the effect of meaningful shifts in the ideas and beliefs of organizational actors upon the design coherence of firms is warranted. While this research has contributed to our understanding of the role of new actors and organizational performance in the erosion of ideas and beliefs and the adoption of a new world view among organizational actors, further research that uncovers the dynamics of this process at the organizational level of analysis are needed.

Table 4-1: Temporal Eras of the Field Encompassing North American Professional Sport Leagues

	Era of League Dominance (1970 to 1983)	Era of Corporate Dominance (1984 to 1997)
The Dominance of Particular Types of Actors	Field was guided by the leagues' traditional influence and control	Field was guided by multidivisional companies that encompassed network and cable broadcasting outlets and sport franchises. The players' associations play a more meaningful role in the field.
The Use of Selected Institutionalized Logics	Varying logics coexisted in the field simultaneously. These logics reflected the sport-specific ideas and beliefs and traditions of the league and franchise leaders and were manifest in a variety of strategies.	A predominant logic set the tone for the field. Homogeneity in the ideas and beliefs of actors were reflected in the league and franchises' uniform strategies in key areas.
The Use of Certain Types of Governance Structures		
• League-level	• Preeminence of League-level authority	• Erosion of leagues' ability to dictate the rules in the field
• Market-level	• "Market"-style transaction relationships	• "Network-" and "hierarchical"-style transaction relationships. Tightly coupled network of actors
• State-level	• Antitrust laws used as a vehicle by players' associations, franchises and rival leagues to challenge the leagues' authority	• State continues to mitigate disputes among actors in the field

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CHAPTER 5

General Discussion and Conclusions

The changes in the environment of North American professional sport organizations have been of interest to academics and practitioners within and beyond the realm of sport (Quirk & Fort, 1992; Gorman & Calhoun, 1994). Articles exploring shifts in the number of sport and media firms in the field, the types of relationships that bind actors to one another, and the challenges to the traditional governance mechanisms guiding the leagues and franchises have increased in both sport and business publications (Grimm & Lefton, 1993; Gleckman, Lewyn, & Armstrong, 1995). The context of professional sport organizations, specifically the organizational field in which these firms are embedded, has undergone profound changes over the last 27 years. As a result, shifts in the business strategies enacted by the leagues and franchises have emerged as these organizations sought to address the challenges confronting their organizations. These strategic changes are the manifestation of the evolving beliefs and logics of action of actors residing in this organizational field and, as such, suggest the wide-spread transformation of the world views guiding organizations in this field.

Shifts in the beliefs and logics of action do not occur independent of other aspects of their environment. On the contrary, actors' beliefs are associated with the communities of individuals and organizations that serve as carriers of a field's institutional logic (Scott, 1994), the value-added network in which they are embedded (Abrahamson & Fombrun, 1994), and the types of governance mechanisms that guide interaction in a field (Lindberg, Campbell & Hollingsworth, 1991; Scott, Mendel & Pollack, forthcoming). Given the interdependent nature of the various aspects of organizational fields (Scott et al., forthcoming), change at this level of analysis is a dynamic process involving simultaneous and interacting shifts that unfold over time. Thus, the evolution of the beliefs and logics of action guiding North American professional sport leagues and franchises is a very complex phenomenon.

As proof, the findings of the previous three chapters clearly show the interdependent nature of the various dimensions of organizational fields and the impact that shifts in these dimensions have had upon the beliefs and logics of action of the leaders of professional sport organizations. The overall purpose of these chapters was to investigate the nature and scope of the changes that transpired in each of the four dimensions of one organizational field and to explore the changing logics of action underpinning the strategic choices of league and franchise leaders between 1970 and 1997. Using the example of the field encompassing North American major league professional sport organizations, this research project focused on the study of the circumstances under which organizational fields change, the factors that lead to the destabilization of the dominant logics of action that underpins the field, and the source of new ideas that supplanted the previously held dominant logic of the field. The following section summarizes the research findings.

Summary of Findings

In the first paper of this research project the four dimensions of the organizational field encompassing North American professional sport leagues and franchises was compared at two intervals in time, 1970 and 1997 to demonstrate change. By comparing this field at two discrete periods of time, a number of factors suggesting its transformation were uncovered. The four constructs of fields were operationalized to facilitate an examination of quantifiable data indicating the presence or absence of change. In the analysis of the changes in the four dimensions of the field, increased interaction among the communities of actors in the contemporary organizational field was found. The increased interaction was evidenced by the patterns of relations among actors that increased in strength, number and duration which, in turn, facilitated the diffusion of information among actors and contributed to their heightened awareness of their mutual dependence. This growing mutual awareness of the collective pursuits of actors provided evidence of the institutionalization of this organizational field, and contributed to our understanding of the erosion of coexisting logics of action in the field and the emergence of a dominant world view among actors. The evolution of this field was also evidenced by the emergence of defined structures of domination and patterns of coalitions among actors.

In the next paper in this study, the interplay among the various dimensions of this organizational field was investigated. In other words, the interdependent nature of the communities of actors in the field, their exchange process, their beliefs and logics of action and governance mechanisms were explored by presenting a detailed event history of the shifts in each of the four constructs of this field over a 27 year time period. This results of this analysis led to a discussion of the relationships between and among the four dimensions of the field. It was uncovered that no one dimension dominated the changes that transpired in this field and that trigger events from both within and beyond the boundary of the field effected change in one or more of the dimensions. Furthermore, in keeping with the current literature, relationships between and among the four dimensions were evident.

The third paper of the research project addressed the changing logics of action in the field between 1970 and 1997. In order to identify the institutional logics existing in the field, variances in the actors holding influence in the field, the use of selected institutional logics, and the use of certain types of governance structures were uncovered with two distinct temporal eras, the *Era of League Dominance* and the *Era of Corporate Dominance*, emerging from the data. These eras were differentiated by the power held by certain communities of actors, by the uniformity or diversity in actors' beliefs, and by the impact of state-, market- and league-level governance mechanisms on the power of actors in the field. In addition to uncovering the temporal eras existing in this organizational field, the source of new beliefs, the factors contributing to the erosion of the beliefs and logics of action underpinning the first era, and the factors facilitating the emergence of a contemporary institutional logic in the second era were uncovered. An overview of the contributions of this research in these three areas will now be presented.

Sources of new beliefs emerging into the field included the entrance of new actors, and the experimentation of actors at the centre and periphery of the field. Of particular interest were the centrally located actors that introduced innovative strategies with the support of other firms within their institutional context despite the constraints that often limit the ability of actors situated at the core to experiment. Factors effecting the erosion of the coexisting logics in the field included firm performance, and the intra-organizational political, functional and social pressures that arose as leaders viewed the success of other firms' innovative strategies. Challenges to the leagues' traditional authority to dictate the terms of relationships in the field also contributed to the erosion of historical governance mechanisms in the field. Furthermore, the emergence of a dominant institutional logic within the field was facilitated by the arrival of new actors into the field, and the subsequent erosion of boundaries between communities of actors such as the franchises and cable broadcasting companies. Proximal market-level exchange relationships also emerged in the contemporary era and, in turn, facilitated the diffusion of new beliefs throughout the field. Finally, the success of strategies underpinned by the contemporary logic facilitated their wide-spread adoption and subsequent institutionalization within this organizational field.

Although these three papers contribute to a greater understanding of the dynamics of change at the level of the organizational field in general and the changing logics of action at this level of analysis in particular, there are a number of elements which were not addressed in this research. In hindsight, these elements would have further contributed to our understanding of the changes that have taken place in the organizational field encompassing North American professional sport leagues. Consequently, in future studies, a number of recommendations are put forth.

Recommendations for Future Research

Based upon the findings and conclusions of the previous three research papers, there are areas which were beyond the scope of the study or were uncovered that need to be addressed in greater depth in subsequent research projects. Four specific areas of investigation have been identified: governance mechanisms, collective strategy, institutional theory, communities of actors and Canadian context.

Governance Mechanisms. More research is needed to explore the role of shifting governance mechanisms within the context of sport. In particular, the interaction between governance structures at different levels of analysis, specifically the state, the market and the firm, are needed to enhance our understanding of the change in the environment of both public and private sport organizations. Lindberg et al. (1991) suggested that the institutions that govern economic activity continue to evolve as politicians, business leaders and others scramble to cope with technological change, volatile markets and increasing competition from abroad. Sport organizations are not immune from environmental turbulence such as this and, as a result, their governance mechanisms must continue to fit with their environment. Developing a greater appreciation of the types and levels of governance mechanisms that structure interaction among firms and dictate the terms of economic exchange holds promise when seeking to understand change within and among sport organizations and their value-added partners.

Collective Strategy. This study considered the strategies of the leagues and franchises that represented the manifestations of the leaders' beliefs and logic's of action. Yet, additional research specifically geared to understanding the role of varying forms of network interdependence upon the emergence of collective action among organizations would provide valuable insight into the factors that impact collective strategic initiatives among organizations. Astley and Fombrun (1983) suggested that our traditional notions of strategy, such as the resource dependence perspective (Pfeffer & Salancik, 1978) and stakeholder management (Ansoff, 1965), be recast in terms of the collective initiatives. These theorists posited that strategy should include the "mobilization of action and resources oriented toward the achievement of ends shared by members of interorganizational networks." The growing awareness among actors in the field encompassing professional sport leagues that they were engaged in a common enterprise suggests that a "communal membership of organizations" (Astley & Fombrun, 1983) emerged in this organizational field. Given this, further exploration of the emergence of collective action among actors in this field and the impact of these joint initiatives upon other actors in the field and its structure is warranted.

Institutional Theory. This investigation provides support for the notion that, in some circumstances, the rules of the game in organizational fields may be successfully challenged through individual and collective action. While DiMaggio and Powell (1991) contended that power within organizational fields requires that dominant organizations continually enact strategies of control through the socialization of newcomers into a shared world view, this research provides evidence to the contrary. The powerful actors, specifically the leagues, holding influence in this field at the outset of this research was diminished over time as contemporary rules of the game emerged and were embraced by new and veteran actors in the field. Furthermore, the leagues' ability to define appropriate standards of economic exchange also deteriorated as a result of challenges to traditional systems of governance that were raised. Interestingly, the leagues began to embrace the new beliefs and practices that arose in the field, and to experiment with the support of actors in their institutional environment to ensure the overall stability of the field. Additional research at the organization and field levels of analysis that explores the factors that precipitated experimentation by centrally located actors is warranted.

Communities of Actors. The communities of actors selected for this investigation of the field encompassing North American professional sport leagues were selected based upon the words of the league and franchise leaders articulating the referent group they deemed crucial to their business operations. Yet, additional communities of actors have also played an important role in the evolution of this field. More specifically, the cities and local governments that play host to major league teams, the minor leagues and player development systems in Canada, the United States and Europe, the National Collegiate Athletic Association in the United States, and the International Olympic Committee have played meaningful roles in this field as key buyers or suppliers of major league sport. Further investigation of the roles of these actors, and their influence upon the beliefs and logics of action in this field would provide valuable insight into the transformation of this organizational field and the shifting institutional logics of actors.

Canadian Context. This study has included Canadian professional sport teams in the NHL, NBA and MLB when discussing the communities actors embedded in this organizational field. Yet, the professional sport teams situated in Canada are confronted by a unique set of challenges when compared to their counterparts residing in the United States. These challenges include: 1) a different tax structure and incentives, 2) an unfavorable rate of exchange, 3) the relative market size of host Canadian cities, 4) and the differences in the Public/Private partnerships and investments in Canada and the United States (NHL, 1998). These challenges were cited by the NHL as reasons for the departure of two Canadian professional hockey teams, the Winnipeg Jets and the Quebec Nordiques, for markets in the United States in 1995 and 1996 respectively (NHL, 1998). To study the financial impact of sports in Canada and explore opportunities to ensure the survival of the nation's professional sport franchises a Parliamentary Sub-Committee on Sport was established in 1998 (NHL, 1998). It appears that the environment in which Canadian professional sport franchises are embedded differs somewhat from that of teams situated in the United States. An investigation of the broadcasting industry, the types of exchange processes, and the governance structures that influence Canadian professional sport clubs would enhance our understanding of the dynamic nature of their competitive situation and provide meaningful solutions to the problems they are confronting.

The Continued Evolution of the Rules of The Game Guiding North American Professional Sport Leagues

The last quarter century in the history of North American major league professional sport represents a turbulent period characterized by changes in the environment of these organizations, and the emergence of an era of corporate dominance. The beliefs and logics of action in the contemporary era underpinned shifts in the strategies enacted by professional sport leagues and franchises that enabled these organizations to fit with the evolving context in which they were embedded. Yet, the organizational field continues to evolve upon a path influenced by the corporate stakeholders despite calls from constituents such as the fans and owners of small-market franchise in Canada and the United States for changes that addresses their needs. For example, Gorman and Calhoun (1994, p. 249) have discussed the need for "fan equity" to address the "breakdown in the relationship between fans and their sports [that] is a product of the new economy." These researchers claim that the stability fans once enjoyed has vanished amid the today's fluid sport structure where players are frequently traded and ticket prices increase steadily. Small-market owners, particularly those in Canada, have also sought assistance from within and beyond their leagues to address the inequities confronting their organizations (NHL, 1998; Helyar, 1994).

Addressing the needs of constituents such as the fans and owners of smaller-market clubs may prove difficult given sports place within the global entertainment economy. Gruneau and Whitson (1993, p. 230) found that amid the global climate of capital accumulation professional sport organizations are dependent upon "capital resources and ultimate market potential that together become critical for which sports remain viable in North American and for which cities become or remain part of the major leagues." These circumstances present challenges for undercapitalized sports and smaller cities that lack large television markets and, as a result, these team owners may elect to pursue new and larger television audiences (Gruneau & Whitson, 1993). Similarly, Gorman and Calhoun (1994, p. 251) called for increased responsibility toward the fans and initiatives to "protect sports' place in our society". Yet these authors lament that if cooperation among the owners and players is not forthcoming "sports will be come just another product in the American mercantile system" (p. 252).

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APPENDIX A

Research Methods

In order to examine the sources and impacts of new ideas and beliefs on the existing dominant logic of an organizational field, a historical-comparative approach was selected. Quantitative and qualitative data were collected for this investigation in order to enhance our understanding of the dynamics of multi-dimensional field-level change. Primary and secondary sources of data were gathered and analyzed to capture the ideas and beliefs of the league and franchise leaders between 1970 and 1997. This data was also used to outline a chronology of leagues' historical development, to accurately present the major strategies enacted by the leagues, and to provide an event history of the considerable changes in the field itself during this 27 year time period. Historical documents from a selection of primary and secondary sources were collected and personal interviews were conducted with franchise owners and executives from each of the head offices of the four major leagues.

Selection of Research Site

The organizational field chosen for this research was the field encompassing North American major league professional sport organizations. More specifically, the firms which offer as their core product major league professional sport entertainment, together with their key suppliers, buyers, and regulatory agencies, were selected. The field encompassing professional sport leagues and franchises has experienced considerable shifts over the last three decades. The apparent changes in this field included the emergence of a new community of cable network organizations into the field (NCTA, 1997), the shifts in the exchange processes among actors (Cousens & Slack, 1996), and the challenges to the traditional governance mechanisms in this field as a result of struggles among actors and subsequent mediation their differences through the antitrust court system in the United States.

The availability of data pertaining to this organizational field also contributed to the decision to select this research site. The plethora of sport- and league-specific historical books, sport magazines, and news articles provided data pertaining to varying facets of the field extending back to 1970. The availability of primary historical data Halls of Fame for each league proved to be invaluable to this study. While collecting primary data from the leaders of the four leagues was difficult, interviews were conducted with owners and executives representing one or more of the leagues to uncover data pertaining to their ideas and beliefs and the changes that have taken place within this organizational field.

Finally, the researcher's personal interest in the changes that occurred in North American professional sport also played a role in the selection of this site. Previous research in this area, specifically the investigation of the shifts in the interorganizational relationships among the leagues and their key bargaining partners, served to heighten curiosity about the shifts in this field. Many of the changes that have taken place in this field, such as the movement of Canadian franchises to southern markets, the increase in players salaries, the vertical integration of sport franchises, and the construction of new facilities, have been addressed by the popular press without regard for this history of this field or the actual process of change that has taken place over the last quarter-century. Furthermore, the academic researchers interested in professional sport have yet to situate the varying facets of change that have taken place in its entirety within a theoretical context. As such, the dynamics of the change process within this organizational field have not been explored.

Time Period Under Review

The time frame selected for this study was the 27 year period between 1970 to 1997 that extends back to an epoch before the occurrence of the major events in this field. Collection and analysis of data pertaining to this field for over a quarter-century facilitated an examination of the patterns and processes of change within this research site. This time period also encapsulates evidence of change in the structure of the field, its exchange processes, the beliefs and logics of action of actors, and its governance mechanisms as early as 1970. This represents a time before the deregulation of cable television, before the onset of free agency by the players, and before the leagues merged or absorbed rival leagues. This was also a time preceding the creation of the leagues' properties divisions and the wide-spread construction of facilities with luxury boxes (Gorman & Calhoun, 1994). Data collection extending from 1970 to 1997 enabled the researcher to capture the process of change in the ideas and beliefs of league leaders and situate this transformation within the context of the evolution of the organizational field in its entirety.

Selection and Measurement of Organizational Field Constructs

1) Selection of Dominant Actors

Determining the actors that constituted the field of professional sport leagues involved including those providers of services, competitors, buyers, and suppliers that were recognized by the leaders of the leagues and franchises as being of considerable importance to them between 1970 and 1997. Data from both primary and secondary sources were employed to specify the dominant actors that resided in this field from the point of view of the focal organizational actors during the time period under study. The leagues and franchises were each considered the actual *providers of services* for the purpose of this research. Arguments suggesting that professional sport leagues and their member franchises are a single entity have been put forth. These arguments are based on the notion that clubs "cannot be considered to be separate firms in any relevant productive or competitive sense (Roberts, 1984, p. 253). For the purposes of this research, however, each franchise was considered an independent firm due to their separateness for "tax, tort, or other legal implications" (Roberts, 1984, p. 253). The actual communities of organizations that provided major league professional sport products changed as leagues emerged and died, as they merged or united with rival leagues, and as they expanded. Shifts in the numbers of actors that provide services to buyers were examined by counting the number of professional sport organizations that emerged into and exited from this field between 1970 and 1997.

The major *competitors* of the focal leagues examined in this study were those firms identified by the league and franchises leaders as being rivals during the time period under review. While the focus of this study extends from 1970 until today, the historical nature of rivalry among North American professional leagues was of considerable importance to this study. The various leagues that existed prior to the 1970s played a key role in shaping the environment of contemporary organizations by providing opportunities for the courts to lay the foundations of the governance structures that continue to regulate the leagues' activities to this day. Furthermore, while league names may have changed and various franchises of rival leagues have been absorbed, some of today's existing leagues have their roots in these fledgling organizations. In total, 21 major professional sport leagues existed in North America between 1900 and today (see Table A-1) (Quirk & Fort, 1992). The rival leagues that will be considered in this investigation include: 1) the World Football League (WFL), 2) the United States Football League (USFL), 3) the American Basketball Association (ABA), and 4) the World Hockey Association (WHA).

Insert Table A-1 about here

In addition to rival leagues, other types of entertainment were also viewed as competitors by the league and franchise leaders as time progressed. The owners and leaders of professional sport clubs perceived that forms of amusement ranging from theater to rock concerts were attractions that had the potential to draw fans, broadcasters and corporate sponsors away from sporting events. Furthermore, the growing entertainment economy of the 1980s and 1990s fueled by technological developments heightened opportunities for sporting organizations to diversify their operations into other aspects of entertainment such as feature film production, video games, and home shopping (Gleckman, Lewyn, & Armstrong, 1995; Jensen, 1995).

Buyers were defined as those populations of individuals or firms that provided major sources of revenue to the leagues and franchises. The sale of tickets to the general public and broadcasting contracts that were sold to network and cable companies have been identified as the two major sources of revenue for professional sport leagues (Quirk & Fort, 1992). Attendance figures at professional sporting matches in all four leagues and revenues generated from the sale of tickets were used as an indicator of change in the buying patterns of spectators. This research also focused on the populations of broadcasters, namely the over-the-air networks and the cable networks, that purchased league broadcasting contracts during the time period under study. Major league professional sport organizations also generated revenue from additional sources. The sale of merchandise, radio broadcasts and sponsorship properties, for example, are among the products sold by the leagues and franchises. Buyers of these products included the general public, radio stations and a plethora of corporate sponsors representing consumer product areas such as fast food, automobiles, soft drink beverages, beer, cigarettes, credit cards, airlines, athletic shoes and apparel. These corporate buyers extended to virtually every consumer product category in North America. The number of populations of firms that purchased sponsorship properties from the leagues and franchises since 1970 is staggering and, as such, was beyond the scope of this analysis. Accordingly, only the populations of organizations involved in purchasing league broadcasting contracts was discussed. The actors in each community of broadcasters were counted to determine shifts in the number of network and cable companies that resided in the field of professional sport leagues during the time period under review. Data from secondary sources were used to document the relationships between network broadcasters, as well as the birth, death and league-franchise relationships of sport-specific cable broadcasters during the time period under study.

The major *suppliers* of crucial resources and services to the leagues have been identified by the leaders of these organizations as the players' unions. The National Hockey League Players Association (NHLPA), the National Basketball Association Players Association (NBAPA), the Major League Baseball Players Association (MLBPA), and the National Football League Players Association (NFLAP) are the exclusive suppliers of talent to their respective leagues and, as such, represented influential actors in this organizational field. Other suppliers included the minor leagues, the National Collegiate Athletic Association (NCAA), the unions representing officials, as well as the coaching staff, trainers, and front-office management staff of the franchises and leagues. While these groups and individuals provided invaluable services to the leagues and franchises, this investigation focused upon the players' unions given the attention paid to them by the league leaders and their status as the major source of expenditures for the leagues. Primary and secondary sources of data were used to provide evidence of the relationship between the focal organizations and their respective players' association.

2) Measures of Exchange Processes

The changes in the patterns of exchange processes within this organizational field were also explored. Two structural variables, the degree of system coupling and the multiplexity of ties among actors were used to examine changes in the types and patterns of linkages among actors in this field. Changes in the *degree of system coupling* of this field was measured by looking at the cross-ownership of franchises, and subsequent interlocking boards of governors of the leagues. Changes in the *multiplexity of ties* among actors were measured by looking at shifts in the value, structure, and type of linkages binding the leagues to broadcasters through contractual relations and by ownership during the time period under study. Data pertaining the types and patterns of relations among actors and the strength and number of linkages that bound the providers of services, the franchises and the leagues, to their buyers and suppliers was retrieved from both the primary and secondary sources of data.

3) Measures of Beliefs and Logics of Action

Shifts in the dominant beliefs and logics of action characteristic of this organizational field were uncovered primarily through the collection and analysis of qualitative data. Qualitative data in the form of the league leaders' words offered a poignant description of their ideas and beliefs pertaining to the nature of their businesses, their sources of competition, the rules of the game, the milieu of their industry, and their criteria of effectiveness. These words, expressed in the numerous interviews granted by these individuals throughout the time period under study provided invaluable qualitative evidence of the shifts in the beliefs and logics of action of the league leaders. Quantitative evidence, such as shifts in the league's revenues, pertaining to shifts in the dominant logic of actors were used to supplement the evidence provided by the leaders' words. In keeping with the work of Spender (1989), the strategies enacted by the leagues provided measurable indicators of the changes in the leaders' ideas and beliefs. The rules of the game during the time period under study were uncovered by looking the historical and contemporary understandings of the scripts prescribed to these players. Over time, the beliefs and logics of action underpinning the strategic decisions of communities of organizations evolved as the actors were exposed to new ideas, as they sought out innovative solutions, or as they relinquished those beliefs and practices no longer viewed as legitimate.

Investigating the beliefs and logics of action of the producers of services that resided in the organizational field under study involved uncovering their templates of organizing. These templates of ideal characteristics were representative of the values and beliefs of the members in each population and, as such, underpinned the structures and systems of these organizational actors. Changes in the beliefs of the leaders of these firms were uncovered by exploring shifts in the templates of organizing that consisted of their beliefs pertaining to their domain, principles of organizing and criteria of effectiveness (Hinings & Greenwood, 1988). Primary sources of data were employed to garner the words of these actors throughout the time period under study and to uncover shifts in their beliefs regarding each of the three elements. Both primary and secondary sources of data were employed to provide evidence of the templates of organizing characteristic of the focal organizations.

Indicators of change in the leaders' ideas and beliefs regarding their *domain* included changes in the types of products and services offered by the leagues and franchises, and shifts in their target markets, the types of fans attending matches and their major sources of revenue. The rules and reporting relationships between the leagues and their member franchises were uncovered as a measure of shifts in the leaders' ideas and beliefs pertaining to the *principles of organizing* of the producers of services. The power held by the league leaders as compared to the franchise owners evolved during the time period under study as challenges to the traditional authority held by the league were raised by the clubs and, as such, altered the structure of the leagues and the leaders' beliefs about how best to organize their cartels. Evidence of the leaders' ideas and beliefs pertaining to their *criteria of effectiveness*, that is the elements on which the leagues and franchises were evaluated, were uncovered by considering the leaders' words pertaining to their criteria for the success of their head-office operations and member clubs.

4) Measures of Governance

Exploring the shifts in the governance structures of this organizational field involved reviewing evidence at the state, field, and league levels of analysis. The indicators employed to review the changes in governance by the state were the numerous court cases that challenged the leagues under the Sherman Antitrust Act (see Table A-2). In 1922, Major League Baseball (MLB) was granted immunity from antitrust legislation. Since this time, each of the leagues, including MLB, have been subject to legal challenges by players' unions, franchise owners, and rival leagues under the Sherman Act. These court cases underpin the nature of the leagues' relations with their key bargaining partners. Changes in field governance by the state was examined by reviewing a comprehensive index of 39 landmark legal decisions involving the leagues and their key buyers and suppliers. This index was based upon the court cases highlighted by Quirk and Fort (1992) and was supplemented by a number of legislative shifts identified in the data, and the landmark cases that took place following the publication of Pay Dirt, Quirk and Fort's (1992) book.

Insert Table A-2 about here.

Governance at the field level of analysis was also investigated by looking at the cross-ownership of franchises and the new patterns of exchange processes that emerged between the leagues and franchises and their key bargaining partners. These emerging patterns of relations provided insight in the market structure characteristic of this organizational field. Finally, aspects of the leagues' constitutions and by-laws were reviewed as a measure of firm-level governance. More specifically, a comparative analysis of the leagues' policies pertaining to revenue sharing and ownership was undertaken to measure the changes in the leagues' governance structures between 1970 and 1997. Data from secondary sources was used to identify the ownership of franchises by broadcasting companies in each of the leagues throughout the time period under study.

Data Collection

1) Secondary Sources of Data

Secondary data were collected for this historical-comparative examination of the field encompassing North American professional sport leagues and franchises. Data were gathered to provide a descriptive account of the changes in each of the communities of actors in this field during the 27 years under investigation. These actors included the major professional sport leagues and franchises, network broadcasting companies, cable broadcasting systems, and players' unions. Information regarding the leagues' relationships with the fans and corporate sponsors were also collected. The following is an overview of the sources of data pertaining to each population of organizations as well as data related to the fans and corporate sponsors.

Data pertaining to the leagues and franchises and players' unions were collected from a number of secondary sources. First, the leagues and Halls of Fame were contacted to retrieve information regarding expansion, revenue-sharing policies and relationships with broadcasters and corporate sponsors. A collection of over 323 useable documents were retrieved from these sources. These documents included interviews with league commissioners, franchise owners, and senior league officials that were published in newspapers, magazines, trade publications and game-day programs. Documents also included press releases from the offices of the commissioners. Second, a selection of historical books were used. Quirk and Fort's (1992) book Pay Dirt, for example, provided an comprehensive account of the changes in the number of leagues and franchises in this field from 1970 and 1992. League-specific historical books, such as The League: The Rise and Decline of the NFL (Harris, 1986), Net Worth (Cruise & Griffiths, 1992), Hockey Night in Canada (Gruneau & Whitson, 1993), The Lords of the Realm (Helyar, 1994), and Money Players (Keteyian, Araton, & Dardis, 1997) were also valuable source of data regarding the shifts in the leagues and the exchange processes among bargaining partners. Data pertaining to shifts in the structure of the field were also retrieved from the following books: The Name of the Game: The Business of Professional Sport (Gorman & Calhoun, 1994), The Market Structure of Sports (Scully, 1995), Playing the Field: Why Sports Teams Move and Cities Fight to Keep Them (Euchner, 1993). Finally, Team Marketing Report's comprehensive overview of the owners of professional sport teams, their broadcasting and sponsorship relationships entitled Inside the Ownership of Professional Sports Teams was included as a source of data. These sources provided a wealth of information regarding the number of actors in this field, the types of exchange processes that bound the leagues to their key bargaining partners, and their revenue-sharing policies.

Data pertaining to network and cable broadcasting networks were also gathered. The primary source for data for cable broadcasting systems was the National Cable Television Association. This organization collects and disseminates information from their members, cable networks in the United States, in their quarterly publication, Cable Television Developments. This publication contains data pertaining to the number of cable systems that existed between 1970 and 1997, the number of sport-specific cable systems that existed during this time period, as well as the number of subscribers for each system. The major limitation of this document was that only the numbers of cable systems that existed each year were present with no specific documentation of new entrants into this field and those cable organizations that closed their doors. The second source of data related to cable television was the book entitled Sports For Sale (Klatell & Marcus, 1988). The authors of this book, David Klatell and Norman Marcus, are the directors of Boston University's Institute in Broadcast Sports. Their book provides a detailed account of the rise of cable broadcasting in the United States with a particular emphasis on the relationship between these organizations and professional sport leagues and franchises. This book also provided data pertaining to the relationship between sport organizations and the three network broadcasting companies: the American Broadcasting Corporation (ABC), the Columbia Broadcasting System (CBS), and the National Broadcasting Company (NBC). Additional data regarding the leagues' and franchises' relations with the networks were gathered from the leagues themselves and from the book entitled Inside the Ownership of Professional Sports Teams (Team Marketing Report, 1998).

The fans also represented major buyers of franchise products throughout the time period under investigation. To retrieve data regarding the number of fans that attended games, the publication The Sporting News was contacted. This sports magazine provides weekly reports from all four of the major league sports and was in existence before 1970. Representatives from this magazine provided the researcher with a comprehensive account of the attendance figures for the four major leagues throughout the time period under investigation. The book by Quirk and Fort (1992), Pay Dirt, also provided data regarding fan attendance and was a useful measure of reliability. Euchner's (1993) book, Playing the Field, provided a historical analysis of the changes that took place in the types of people who traditionally purchased tickets to matches and merchandise and how these buyers changed between the 1970s and the 1990s. His work was also included in our analysis. Finally, data regarding the actual revenues generated from the fans, broadcasters and sponsors were gathered from Sports Illustrated and Financial World magazines. The former magazine was selected given its focus on professional sport, while the later was chosen because of its annual issue dedicated specifically to the business aspects of professional sport. A plethora of financial data on each of the four leagues has been published in this magazine.

2) Primary Sources of Data

Primary sources of data were also employed in this research. The decision to collect primary historical data in the form of works of the leaders of the leagues and franchises and their partners that were published in the media and league documents, was based upon the work of Huff (1982). In her effort to uncover changes in attitudes and beliefs of leaders of the white appliance industry, she conducted a content analysis of two industry publications between 1950 and 1975. Huff's (1982) data were collected in intervals set apart by five years, and also included editorial articles dealing with subjects such as industry forecasts and product development. Through this analysis, she identified changes in the leaders' ideas and beliefs pertaining to product imports from abroad, an issue of considerable importance to the structure of the industry and to the competitive strategies of industry actors.

While Huff (1982) examined two industry publications when collecting her archival data, it was determined that a wider net must be cast to in order to gain a sufficient amount of data pertaining to each of the four leagues during the time period under study. Accordingly, each league and Hall of Fame was contacted by mail and telephone and a request was made for copies of documents with direct quotes from the league commissioners extending back as far as 1970. A list of the types of documents sought was included in the request. Staff researchers at the Hockey, Baseball, Football and Basketball Halls of Fame responded favorably to this request for archival data. In total, over 410 documents with direct quotes from each of the 14 leaders of the leagues, the commissioners or in the case of the NHL the league presidents, were retrieved from the leagues and Halls of Fame. These documents included copies of speeches by the commissioners, photostats of the commissioners' interviews with journalists that were published in national and local newspapers, interviews with commissioners that were published in sport and business magazines or corporate newsletters, copies of press releases that were disseminated by the offices of the commissioners that contained direct quotes from the commissioners, and interviews with the commissioners published in game-day programs. According to Brundage (1997), published primary sources of data, including materials intended from the outset to be printed and made public such as newspaper articles and annual company reports, are considered primary sources of data. Newspapers, letters and corporate reports are viewed as raw materials from the past that are fashioned by historians as they review and rethink the past and discover patterns and meanings in these materials (Brundage, 1997).

The articles, press releases, speeches or interviews gathered for this study were then reviewed and placed in chronological order. Of the total number of documents received, 323 were included in the final data base as some documents were duplicated, had no references, did not contain direct quotes from the commissioners, or were dated beyond the time period under study. Direct quotes from the commissioners, the franchise owners, the corporate sponsors, and the broadcasting companies contained in these documents were entered into a computer data base with the majority of these quotes were taken from the 14 league commissioners during the 27 years under investigation. The statements were entered into the data base together with the questions posed to these individuals, or the statements made to them prior to and after their statements. This was done to ensure that the context of the speakers' remarks was preserved. A very inclusive approach was employed when entering the speakers' words into the data base to ensure a comprehensive data base was established and, as a result, over 2,000 direct quotes representing the words of key individuals were included. The source of each direct quote was entered into the data base together with the exact words of the individuals as presented in the document at hand. Thus, the ideas and beliefs expressed by leaders in this field, those captured by league personnel and journalists, were the basis of this comprehensive 280 page data base.

Following the compilation and preliminary analysis of the historical primary data, the next phase of data collection, personal interviews, was initiated. The review of the archival data was completed first to provide the researcher with a detailed profile of each league's history pertaining to its expansion, its relationships with key buyers and suppliers, its governance mechanisms, and its leaders beliefs pertaining to key strategic areas. This information enabled the researcher to ask respondents questions regarding the dynamics of why particular decisions were made, rather than asking them what strategies were chosen. In this phase of data collection, personal interviews were used to gather data related to the leaders' ideas and beliefs pertaining to their products, their markets, their relationships with key bargaining partners and competitors, and their decision making processes.

This research approach was employed by Spender (1989) in his study of the fork-lift truck industry to identify the dominant strategies characterizing the industry and the ideas and beliefs underpinning their selection. Spender (1989) conducted interviews with the leaders in a representative sample of firms within the industry. One or more senior executives was interviewed to gather data regarding the managers' ways of thinking about their activities and competitive challenges. The interviews were taped and, using the data from these interviews, Spender (1989) was able to outline a series of constructs of the managers' views pertaining to their proximal and distal environments, their product-markets, their labor relations concerns, technological innovations, and management mechanisms. By detecting recurring themes in interview data he was able to discern the recipe of the industry.

In this study, interviews were conducted with individuals who currently held leadership positions in at least one of the four major sport leagues (see Appendix B). These individuals were either owners of franchises and, hence, sit on the leagues' boards of governors; or, were the vice president or president of a major division at a league's head offices in New York. When selecting interviewees every effort was made to ensure that 1) leaders in each of the leagues were represented; 2) leaders who had been with the league throughout the time period under study were represented; 3) leaders who sat on the board of governors were represented; 4) leaders in the properties divisions of the leagues were represented; and 5) leaders representing both small- and large-market franchises were represented. Naturally, the willingness of these leaders to participate in this study was ultimately the deciding factor!

Two methods were employed to contact the leaders given the difficulty obtaining interviews with these individuals: personal contacts and letters of introduction. In two cases personal contacts were used to approach prospective interviewees and request their participation in this study. The remainder of the individuals were initially contacted by mail with a kit containing a letter of introduction, a brief overview of the study and a letter of informed consent. Kits were sent to owners of large and small-market franchises in Canada and the United States and senior executives at the four league head offices in New York. Follow-up phone calls were then made to arrange the date and time for the interviews. In total, nine interviews were conducted over a 13 week time period in 1997. The interviews ranged in length from 30 minutes to 90 minutes. Eight of the personal interviews were conducted in the offices of the interviewees and one telephone interview was conducted.

The format of the interviews was structured, with the researcher asking the respondent a series of open-ended questions designed to uncover their ideas and beliefs regarding their league's major strategic initiatives. The questions posed of the interviewees were developed from a survey of background literature on cognitive structures and industry-level collective beliefs. The work of Spender (1988) as described in his book Industry Recipes, offered a detailed account of his approach to choosing the context, subjects and questions employed in his research of the industry recipes of various business sectors. Using this, a comprehensive list of questions was generated. More specifically, questions in the areas of industrial change, the source(s) of new ideas and innovations, the impact of new actors into the field, and the structure and competitive milieu of the industry were included. Furthermore, specific questions pertaining to the strategies of each interviewee's respective league in the areas of product development and diversification, market penetration, growth, labor relations, broadcasting and league parity were also included. Finally, questions were also posed to validate information uncovered in the secondary sources of data, to clarify the timing of particular events, and to gain additional insight into the reasons for and dynamics surrounding particular decisions or events. With the informed consent of each interviewee, each interview was taped and the tapes were transcribed verbatim. These data were then analyzed together with the historical primary data.

Data Analysis

Given the vast amounts of quantitative and qualitative data gathered for this investigation of change in one organizational field, and the need to address research questions pertaining to each of the four dimensions of fields, varying types of techniques for data analysis were selected. The depth and type of analysis employed varied depending upon the dimension under examination and the type of data gathered. The first steps in analyzing the data were, however, to develop an organizing system and segment the data. Initially, the data were organized according the four constructs, or field dimensions, identified by Scott, Mendel and Pollack (forthcoming). Subsequently, each set of data were segmented based upon the appropriate measurement technique selected and the type of qualitative or quantitative analysis deemed most appropriate for the task at hand.

Uncovering information about the *communities of actors* in this organizational field necessitated the organization of the descriptive data that was collected from a selection of secondary sources. The data were then segmented by community of actors, that is by producer, supplier or buyer of services, to provide the researchers with a detailed account of the number of actors that existed in each community of actors through out the time period under study. This initial segmentation enabled the researcher to draw out data pertaining to the key buyers and suppliers of the focal organizations. Data belonging to each community of actors was then further segmented by year to provide a detailed account of changes in their number between 1970 and 1997. Data pertaining to each of the communities or actors for each year encompassed within this time frame of this investigation were collected and organized to provide an accurate and thorough representation of the shifts in the communities of actors in this organizational field.

Analysis of the data to uncover shifts in the *exchange processes* in the field, specifically the degree of system coupling and the multiplexity of ties between actors, was laborious. The measure of the degree of system coupling in this field was the number of cross-owned franchises that existed during each year of this study. To uncover evidence of changes in the number of cross-owned franchises during the 27 years under investigation, the names of each franchise owner was entered into the MicosoftWord data base by league and by year. Every name was then cross-referenced against the names of franchise owners in each of the other three leagues during the same year. The number of "hits", or cross-owned franchises, were then recorded to provide an accurate numerical representation of the franchise owners that simultaneously held interest in franchises in more than one league. The investigation of the multiplexity of ties among actors drew primarily from the work of Cousens and Slack (1996) who employed qualitative data pertaining to the new types of strategic alliances, partnerships and joint ventures, that emerged into the field in the 1990s. These researchers collected over 50 newspaper and magazine articles pertaining to the types linkages binding professional sport leagues to key bargaining partners. These articles provided detailed information regarding shifts in the number of relationships, the value of contracts among partners, the emergence of new forms of exchanges such as strategic alliances and joint ventures among actors, and the factors contributing to changes in the interorganizational of professional sport organizations in the 1980s and 1990s. Their study provided a thorough documentation of the shifts in the types of exchange processes that bound professional sport leagues and franchises to key buyers such as broadcasters, corporate sponsors and merchandising companies.

Data analysis to uncover the *beliefs and logics of action* of this organizational field consisted of both multi-level and pattern coding, a technique for qualitative researchers analogous to cluster-analytic devices used in statistical analysis (Miles & Huberman, 1994). Initially, the primary data collected from the personal interviews with league leaders and from the leagues and Halls of Fame were segmented by year and by league to facilitate a comparison of the leaders' strategic choices across the leagues and over time. This preliminary clustering, based upon the descriptive codes of *league* and *year*, created a logical presentation of each leagues' major competitive strategies, and the beliefs underpinning them, in chronological order extending back to 1970. A series of explanatory codes emerged progressively from the data as further reviews were completed by the analyst.

During the discovery phase of data analysis, the researcher began to look for and interpret generalizations among the leaders' words. Uncovering these broad generalizations involved reviewing the organized data numerous times to enhance the researcher's familiarity with the statements of the leaders. These reviews of the data enabled the analyst to attribute meanings to the generalizations as themes representing the leaders' strategic objectives and concerns emerged. This strategy facilitated the researchers' intimate familiarity with the data and, as such, enabled the researcher to uncover relationships across dimensions, across time periods, and across leagues.

Explanatory themes based upon the major decision making areas discussed by the leaders throughout the time period under review, as well as their beliefs pertaining to their organizations' *domain*, *criteria of effectiveness* and *principles of organizing*, were then assigned. These themes also encompassed the major areas of change pertaining to the leagues' buyers, suppliers, products, markets and governance structures. The eight major explanatory themes included *league parity*, *broadcasting*, *labor relations*, *growth* and *marketing* as well as those related to the cognitive aspects, or interpretive schemes, of the leagues. The data were then placed in clusters based upon the eight explanatory themes while preserving the initial structure based upon year and league. This secondary segmentation process created a coherent presentation of the leaders' words pertaining to the five major decision areas and the three cognitive-based areas of investigation. The final stage of coding involved a further review of the data with preanalytic remarks placed in the right margin of each paragraph or statement articulated by the commissioners. This stage of the coding process enabled the analyst to highlight meaningful aspects of the leaders' decisions.

Three different types of analysis were employed to compare the *governance mechanisms* that existed in this field in 1970 and 1997. The data pertaining to league-level governance mechanisms were analyzed by comparing the revenue-sharing policies of the four leagues during each of the time periods under review. The analysis of market-level governance involved a comparison of the types interorganizational relationships that bound the leagues and franchises to their key bargaining partners. In particular, the type strength of relationships in the 1970s were compared to those in the 1990s using Faulkner's (1995) hierarchy of relationships that begins with weak ties, such as exchange relationships, and increases to stronger ties such as strategic alliances and joint ventures. This hierarchy corresponds to markets to hierarchies types of relationships discussed in the literature (Powell, 1991; Williamson, 1975). Finally, state-level governance structures were examined by analyzing the 39 critical court cases that influenced this field during the time period under review. Using the approached suggested by Scott (1997, personal communication), a "policy map" of the landmark court cases involving North America's major league professional sport organizations was created (see Table A-2). This policy map provided a chronological account of the changes in state-level governance mechanisms, through a series of landmark antitrust court cases, that shaped relations among actors in this field from 1922 until 1997. These court cases involved the producers, buyers and suppliers of services and dealt primarily with the reserve clause and antitrust laws. Journal articles pertaining to these cases were then collected. The analysis of these articles and the policy map involved examining the cumulative impact of the decisions of these landmark cases upon the power relationships of the key actors in the organizational field. Initially, the decisions for each case in favor of one actor, or community of actors, over another were recorded. Next, the affect of the court ruling upon the power of each actors was assessed. The journal articles were particularly helpful in determining both the affect of key decisions as well as their impact upon the power relationships among actors in the field.

Limitations

While a comprehensive event history of the changes in this field and insight into the shifts in the beliefs and logics of action of the league and franchise leaders were generated, there were some limitations to the research approach selected. Ensuring the data reflected what actually occurred in the setting was a concern of this researcher given that data from a variety of sources, such as newspapers, magazines and historical books, were used in this study. To address this shortcoming, data from different sources were compared to ensure an accurate account of the events that unfolded in this organizational field. While some deviations in the data gathered from different sources were found, particularly in reports of the revenues generated by the leagues and franchises, the data pertaining to the major events that took place in this field were found to be reliable. Furthermore, the researcher kept a detailed account of the sources of all data and was consistent with the treatment of data throughout this investigation.

External validity concerns whether the leaders interviewed for this study, or those whose beliefs were captured in the articles collected for this investigation, were representative of the units to which the results were generalized. Threats to external validity were a consideration in this study given that every league and franchise leader during the time period under review was not interviewed. To address this threat, a rich, descriptive account of what transpired in the field was created through the collection of quantitative and qualitative data. Furthermore, the meanings of the leaders' words were captured and analyzed within the context of events that transpired in the field. Finally, the subjects interviewed for this study were representative of the leagues and franchises, those in Canada and the United States, as well as those from large and small markets.

A third limitation of this study was that some sources of data did not extend throughout the entire time period of this investigation. The data provided by Quirk and Fort (1992) on the owners of the franchises, for example, extended only up until 1992. Given that this study extended to 1997, several additional sources of data were used to supplement the information on franchise ownership and calculate the shifts in the cross-ownership of franchises, and the number of new franchises owners that entered into the field. Using one source to document the entire history of franchise ownership and cross-ownership would have been preferred given the considerations of both reliability and validity of this supplementing data collected from different sources to explain one shift in the field.

The historical nature of this research also created challenges when seeking information on the exchange processes of the franchises and the leagues. Numerous articles from the contemporary popular press discussed the new types of relationships between the leagues and franchises and their buyers. The historical information about the nature of the producers of services' relations with buyers, however, was anecdotal. While descriptions of the relations were provided, the perceived benefits and reasons for these types of these relationships were rarely discussed.

Finally, the primary data retrieved from the archival sources also presents a limitation. Given that the quotes from the league and franchise leaders were published in newspapers, one must consider the problem inherent in relying upon journalists to record the leaders' words accurately and present them within the context of the discussion or questions at hand. The journalists' potential biases and errors pose an obvious threat to the reliability of the data gathered from the media sources. However, the primary sources of data were gathered from different sources and, in some cases, opportunities to compare interviews published in different magazines and newspapers were available as a test of reliability. Furthermore, the journalists' accounts of events were compared on a very general basis to those described in other sources of data, such as the historical books, employed in this research .

Table A-1: Leagues Existing in the Field (1900 to 1997)

League	Year	Development of Consequence
Baseball Leagues		
• National League (NL)	1876 to pres.	The NL merged with the AL in 1903 and exist today as Major League Baseball (MLB)
• American League (AL)	1901 to pres.	
• Federal League	1914 to 1915	
Football Leagues		
• American Professional Football Association (APFA)	1920 to present	The APFA was renamed the National Football League (NFL) in 1922
• All-America Football Conference (AAFC)	1946 to 1949	
• American Football League I (AFLI)	1926 to 1926	
• American Football League II (AFLII)	1936 to 1937	
• American Football League III (AFLIII)	1940 to 1941	
• American Football League IV (AFLIV)	1960 to 1970	The AFLIV merged with the NFL in 1970
• World Football League (WFL)	1974 to 1975	
• United States Football League (USFL)	1983 to 1985	
Basketball Leagues		
• American Basketball League I (ABLI)	1925 to 1931	
• American Basketball League II (ABLII)	1934 to 1947	
• Basketball Association of America (BAA)	1946 to pres.	The BAA was renamed the National Basketball Association (NBA) in 1949
• National Basketball League (NBL)	1937 to 1949	
• American Basketball League III (ABLIII)	1961 to 1963	Four ABA franchises were absorbed by the NBA in 1976
• American Basketball Association (ABA)	1967 to 1976	
Hockey Leagues		
• National Hockey League (NHL)	1917 - present	PCHL was purchased by the NHL in 1924
• Pacific Coast Hockey League (PCHL)	19?? to 1924	
• Western Canada Hockey League (WCHL)	1921 to 1924	Four WHA franchises were absorbed by the NHL in 1979
• World Hockey Association (WHA)	1972 to 1979	

Source: Quirk, J., & Fort, R. D. (1992). Pay Dirt: The Business of Professional Team Sports. Princeton: Princeton University Press.

Table A-2: Policy Map of Landmark Cases in the Field (1922-1997)

1922	1934	1949	1953	1957
Federal League Baseball Club of Baltimore v. National League of Professional Baseball Clubs. Supreme Court rules that MLB is exempt from the Sherman Act (Quirk & Fort, 1992, p. 185)	**Federal Communications Act.** Creates the Federal Communications Commission (FCC) to manage the airwaves (Klatell & Marcus, 1988)	**Gardella v. Chandler.** Gardella sued MLB under Sherman Act for damages suffered when he was blacklisted by commissioner Chandler for jumping contracts to play in the Mexican League. The suit was dismissed based on the 1922 exemption. Later settled out of court (Quirk & Fort, 1992, p. 188)	**United States v. NFL** (1953). Prohibited the NFL from signing a league-wide contract with any TV network (Quirk & Fort, 1992, p. 348) **Toolson v. New York Yankees** (1953). Upheld baseball's antitrust exemption (Quirk & Fort, 1992, p. 189)	**Radovich v. NFL** (1957). Ruling that the NFL does not share baseball's exemption from antitrust (Quirk & Fort, 1992, p. 189)

Table A-2: Policy Map of Landmark Cases in the Field (Cont'd)

Sports Broadcasting Act. Enables NFL to bargain with broadcasters as a single unit. (Klatell & Marcus, 1988, p. 72)	**State v. Milwaukee Braves, Inc.** (1966). Baseball's antitrust exemption applied to state as well as Federal laws (Quirk & Fort, 1992, p. 191) **Football Merger Act.** NFL & AFL given antitrust exemption to merge (Klatell & Marcus, 1988)	**Philadelphia World Hockey Club v. Philadelphia Hockey Club, Inc.** (1972) First antitrust case involving hockey. One of seven cases involving the signing of NHL players by WHA clubs. Judge ruled that the reserve clause had never been subject to bona fide good faith collective bargaining (Quirk & Fort, 1992, p. 206) **Flood v. Kuhn** Supreme Court supports MLB's 1922 exemption from antitrust law. Judge states that it must be remedied by Congress (Quirk & Fort, 1992, p. 193)	**Anti-Blackout Legislation.** Declared that all four leagues must lift network blackouts of games (Klatell & Marcus, 1988, p. 82)	**Levin v. NBA.** (1974)Potential owners bring antitrust suit against NBA for blackballing them as owners. Suit thrown out of court (Quirk & Fort, 1992, p. 45) **Kapp v. NFL.** (1974) Judge ruled that the NFL contract and player reserve system were "patently unreasonable and illegal (Quirk & Fort, 1992, p. 198)
1961	1966	1972	1973	1974

Table A-2: Policy Map of Landmark Cases in the Field (Cont'd)

1975

Robertson v. NBA. (1975) NBAPA sought injunction to block the merger of the ABA and NBA. Judge ruled that the "player draft, uniform player contract, and reserve clause were analogous to devices that were per se violative of the antitrust laws". An out of court settlement was announced (Quirk & Fort, 1992, p. 205)

NHL's reserve clause not upheld in Canadian courts in case involving Bobby Hull (Globe & mail Staff, 1975)

Laird v. United States. Depreciation of player contracts challenged by IRS. IRS was victorious (Quirk & Fort, 1992, p. 106)

1976

Mackey v. NFL. Eighth Circuit court found that the "Rozelle Rule" constitutes a violation of antitrust law (Jones & Davies, 1987, p. 724)

Messersmith v. Dodgers Reserve clause in Major League Baseball ruled illegal by the Supreme Court (Cassing & Douglas, 1980)

Federal Copyright Act. CRT empowered to collect royalty fee from cable operators for non-local transmissions (Klatell & Marcus, 1988, p. 82)

Combines Investigation Act in Canada is revised. Professional sport looses its exempt status (Jones & Davies, 1978, p. 713)

1977

San Francisco Seals v. NHL (1977). (See L.A. Memorial Coliseum). Franchise movement into NHL territory challenged by the league. Changes to 3/4 majority vote (Quirk & Fort, 1992, p. 300)

Deregulation of Cable District of Columbia Circuit ruled the FCC's mandate to regulate the broadcasting industry did not extend to cable broadcasts (Horowitz, 1978)

1978

Charles O. Finley v. Bowie Kuhn. First time in MLB history that a player sale was disapproved. Kuhn used "best interest of the game clause" to void the sale of 3 players. This action was upheld in court (Quirk & Fort, 1992, p. 280).

Smith v. Pro Football, Inc. (1978) District of Columbia Circuit court found that the NFL college draft violated section 1 of the Sherman Act (Quirk & Fort, 1992, p. 200)

1979

McCourt v. California Sports Inc. (1979) McCourt objected to being traded and sued under antitrust laws to have trade voided. Trade upheld based upon Mackey (player trades agreed to in arms length bargaining) (Quirk & Fort, 1992, p. 207)

L.A. Memorial Coliseum Commission v. NFL (1979). (L.A. Raiders, under Al Davis, move without consent of league. Expansion into existing league territory rules changed. Opens door to challenge any league policy in court, and win (Quirk & Fort, 1992, p. 300)

Table A-2: Policy Map of Landmark Cases in the Field (Cont'd)

1981	1983	1986	1987	1988
First Northwest Industries of America, Inc. v. Commissioner of Internal Revenue. (1981)IRS challenged the amount of players' contracts listed depreciable assets on Supersonics balance sheet. IRS is victorious (Quirk & Fort, 1992, p. 109)	**Allen H. Selig v. United States** (1983). Depreciation of player contract upheld as it was not an expansion franchise (Quirk & Fort, 1992, p. 112)	**United States Football League v. NFL** (1986) $1. in damages awarded to the USFL from the antitrust violations of the NFL (Quirk & Fort, 1992, p. 358) (the league went out of business in 1985) **McCarthy v. United States** (1986). Case in which the New York Yankees' depreciation of the local and national baseball TV contract was disallowed (Quirk & Fort, 1992, p. 108)	**NBA v. SDC Basketball Club.**(1987) (see L.A. Memorial coliseum). Franchise expansion into existing territory must be by 3/4 vote of the board (Quirk & Fort, 1992)	United States District Court Judge Doty ruled in July 1988 ruled that the players had reached an impass in contract negotiations that would include more free agency (George, Sept. 11, 1992, New York Times, p. B5)

Table A-2: Policy Map of Landmark Cases in the Field (Cont'd)

1990	1992	1995	1996	1997
United States District Court Judge Doty's ruling is overturned in November of 1990 by the Eighth Circuit Court of Appeals which said that the league's rules could not be attacked under antitrust laws as there was a union. One month later, the players' union responded by ceasing to be a union (George, Sept. 11, 1992, New York Times, p. B5)	**McNeil v. NFL** Federal jury strikes down the NFL's system of free agency (Plan B) finding it violated antitrust laws (George, T. (Sept. 25, 1992, The New York Times)	MLB players' association seeks to overturn MLB's antitrust exemption.	**Brown v. Pro Football Inc.,** The Supreme Court ruled that it is not an antitrust violation for companies within an industry to get together and impose new contract terms on their unionized employees after labor negotiatons have broken down (Greenhouse, 1996, January 20, p. A1)	Proposed: **The Give Fans A Chance Act of 1997**. Would create the opportunity for community ownership of sport teams. currently prohibited by all leagues. Would also give communities a voice inany relocation decisions (Kraker, 1997, p. 3). Introduced into Congress: **A second bill** that would tax at 40% any subsidies or incentives that businesses, including professional sport teams, receive (Kraker, 1997, p. 3).

Sources: **1)** Klatell, D. A., & Marcus, N. (1988). Sports for Sale: Television, Money and the Fans. New York: Oxford University Press. **2)** Quirk, J. & Fort, D. (1992). Pay Dirt: The Business of Professional Team Sports. Princeton: Princeton University Press. **3)** Horowitz, I. (1978). The implications of home box office for sports broadcasts. The Antitrust Bulletin, 23, 743-768. **4)** Jones, J. C .H., & Davies, D. K. (1978). Not even semitough: Professional sport and Canadian antitrust. The Antitrust Bulletin, 23, 713-742. **5)** Greenhouse, L. (1996, January 20). Justices grant U.S. employers tool to bargain. The New York Times, p. A1. **6)** George, T. (1992. September 11). N.F.L.'s free-agency system is found unfair buy U.S. jury. The New York Times, pp. A1, B15. 7) Kraker, D. (1997). The Economics of Pro Sports: The Fans, The Owners, and the Rules.

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APPENDIX B

Interview Schedule

Peter Pocklington (personal interview, April 22, 1997)
Owner, Edmonton Oilers
2500 Sunlife Place
10123 99th Street
Edmonton, Alberta
T5J 3H1

Brian O'Neill (personal interview, May 15, 1997)
Consultant
National Hockey League
Suite 2600
1800 McGill College Avenue
Montreal, Quebec
H3A 3J6
* Executive Director of the NHL (1969-1992)

Claude Brochu (personal interview, May 15, 1997)
President and General Manger
Montreal Expos
P.O Box 500
Station M
Montreal, Quebec
H1V 3P2
* Majority owner of the Montreal Expos

Ralph Lean (personal interview, May 22, 1997).
Chairman
Toronto Raptors Foundation
20 Bay Street
Suite 1702
Toronto, Ontario
M5J 2N8
* Legal Council, Toronto Raptors, National Basketball Association.
* Member of the Board of Directors, Edmonton Oilers, National Hockey League.

Bob Gamgort (telephone interview, May 23, 1997)
President, MLB Properties, Inc.
Major League Baseball
350 Park Avenue
New York, NY
10022

Paul Beeston (personal interviw, May 27, 1997).
President and Chief Executive Officer
Toronto Blue Jays
1 Blue Jays Way
Suite 3200
Toronto, Ontario
M5V 1J1
* Currently Chief Operating Officer of Major League Baseball.

Daniel M. Rooney (personal interview, May 29, 1997)
President and Owner
Pittsburgh Steelers
300 Stadium Circle
Pittsburgh, P.A.
15212

* Chairman of the NFL's Television Committee

Paula Hanson (personal interview, June 2, 1997)
Senior Vice President, Team Operations
National Basketball Association.
Olympic Tower
645 Fifth Avenue
New York, NY
10022

William Daugherty (personal interview, June 3, 1997)
Vice President, Business Development, NBA Properties
National Basketball Association
Olympic Tower
645 Fifth Avenue
New York, NY
10022

APPENDIX C

Conceptual Framework Guiding This Study

The environment of North American major league professional sport organizations has changed dramatically over the last quarter century. The emergence of cable broadcasting networks (Klatell & Marcus, 1988; NCTA, 1997), the numerous challenges to the leagues' authority raised in antitrust court (Quirk & Fort, 1992), the collaborative initiatives with local governments to construct new facilities (Euchner, 1993), and the pressure by the players' associations for more equitable allocation of resources (Helyar, 1994; Cruise & Griffiths, 1992) represent a few of the shifts affecting the environment of this community of organizations. Yet, these changes are not discrete incidences in otherwise unrelated aspects of the leagues' and franchises' environment. On the contrary, changes in the broadcasting industry, for example, impacted the revenues of the leagues and franchises which, in turn, intensified efforts by the players associations to increase players' salaries (Helyar, 1994; Quirk & Fort, 1992). Similarly, challenges to the leagues' authority in antitrust court necessitated the formation of new types of structures to govern relations among actors in the field. Given the number, diversity and interdependence of changes this organizational field, a holistic investigative approach that encompassed shifts in the actors, their patterns of exchange relationships, their ideas and beliefs and their governance structures was warranted. Accordingly, Scott, Mendel and Pollack's (forthcoming) multi-dimensional framework for conceptualizing organizational fields was selected for this investigation of change in the various facets of the organizational field encompassing North American professional sport leagues.

Initially the concept of the organizational field was described by DiMaggio and Powell (1983, p. 143) as encompassing the "suppliers, consumers, regulatory agencies and competitors that constitute the recognized area of institutional life of the focal population of organizations". More recently, Scott et al. (forthcoming) focused attention on 1) the multiple types of *actors* residing in fields, 2) their exchange *processes* , 3) their *beliefs and logics of action*, and, 4) their *governance structures*. This framework enables us to examine a community of organizations linked by shared meaning and governance systems and patterns of interorganizational relationships. These interacting communities of organizations are bounded, according to Fligstein (1991), by their relevance to each other from the point of view of any actor in the field. In this view, boundaries are placed around a collection of organizations not because they share common markets or technologies, but because they are perceived as similar to each other and are viewed by managers as sources of mutual benefit (Abrahamson & Fombrun, 1994). By conceptualizing fields in this way, we move beyond simply identifying a group of organizations producing similar products and services and their critical exchange partners, to take into account their sources of funding, regulatory groups, professional or trade associations, and other sources of normative or cognitive influence (Scott, 1991). Cultural and political considerations together with the technological innovations that shape the context of actors within organizational fields are also recognized as being relevant (Scott, 1991).

Suddaby, Reay, Hinings & Greenwood (1997, working paper) emphasized that organizational fields have structural and ideational components. The *structure* of an organizational field refers to the occurrence of interacting sets of actors. These actors consist of populations of agencies such as *suppliers*, *consumers*, *producers and*, notably, also include *regulatory agencies*. Direct and meaningful interaction among and between actors is an essential element of DiMaggio and Powell's (1983) definition of a field. Suddaby et al. (1997) also included inter-actor exchanges that associate actors through either interorganizational relations or through structural equivalence.

The *ideological/cognitive* component of organizational fields has, more recently, received increasing attention. Scott (1994, p. 207) stated that "organizational fields are defined and shaped by the presence of particular belief systems that guide and orient the behavior of field participants." The ideational component referred to by Suddaby et al. (1997) corresponds to Scott's (1994) "beliefs and logics of action" where fields or sectors are distinguished by the beliefs, norms and rules of actors. Thus, according to Suddaby et al. (1997), the institutional logic plays a central role in 'bounding' an organizational field as logics of action define both 1) the roles of each population of organizations, and 2) the appropriate exchange or interaction processes between them. Abrahamson and Fombrun's (1994) research supports this notion. These researchers found that the patterns of exchange relationships among actors both induce and reflect the existence and persistence of collective beliefs among communities of actors. Furthermore, the actors in organizational fields serve as carriers of one or more logics of action and, as such, provide the means for both stability and change in the collective beliefs of actors embedded in the same competitive environment (Scott, 1995; Scott et al., forthcoming). Thus, the institutional logic of a field is influenced by and influences its structural dimensions.

Scott (1994) also emphasizes that fields have governance systems. Regulatory agencies such as the state or professional associations, field-level market forces, and organizational control mechanisms each contribute to the governing of organizational fields (Scott, 1994). Suddaby et al. (1997) also emphasized the importance of regulatory agencies as (1) vehicles that structure economic opportunities that organizations exploit, (2) monitoring bodies that reproduced taken-for-granted practices through training or educational programs, and (3) arenas where firms interact and expectations of self are mutually reinforced.

Interestingly, Scott's (1994) framework provided a holistic approach to examining field-level shifts as it facilitates an examination of the interplay between the interrelated constructs of actors, exchange relations, logics of action and governance. These constructs, however, are not discrete elements of fields that operate independently of one another. On the contrary, they 'hang together' and reinforce the dynamic system that continually constitutes and reconstitutes itself over time (Giddens, 1984). Hellgren, Melin and Pettersson (1993) suggested that the dynamic nature of industrial reality necessitates employing a multi-dimensional approach to understanding transformations at this level of analysis. These theorists contended that an interactive perspective to investigating change at this level of analysis, one that includes an examination of factual, relational and cognitive dimensions, as well as the interplay among these facets, is necessary. While the constructs highlighted by these theorists differs from those posited by Scott et al. (forthcoming), the underlying notion that a holistic approach to understanding change at this level of analysis is supported by all of these theorists. Accordingly, this investigation will adopt a holistic approach that encompasses the four constructs of organizational fields identified by Scott et al. (forthcoming). A more detailed overview of each of these constructs will now be presented.

1) Dominant Actors

The importance of identifying the actors that establish, maintain and transform the rules of the game that structure a particular field has been emphasized by DiMaggio (1988). Actors in a field, be they individuals or organizations, and the pattern of relations that encompass them, are carriers and indicators of the dominant logic of a field and its governance structures (Scott et al., forthcoming). According to DiMaggio and Powell (1983), organizational field actors are: buyers, suppliers, competitors and state agencies that are linked to or associated with the focal organizations. The types of actors in a field may also include professional associations and agencies of the state. Each population of organizations that reside in a field are constituted by firms that are linked to, interact with, or are structurally equivalent to one or more of the focal organizations. Porac, Thomas, Wilson, Paton, and Kanfer (1995), for example, identified the populations of firms deemed important to the focal organizations by recognizing the socially constructed market boundaries that emerge among a group of actors. Here, actors observations of other firms enabled the players to identify a meaningful reference group of rivals based upon a commonly held and taken-for-granted set of organizational attributes (Porac et al., 1995). Thus, the field is recognized as a construct that is meaningful to participants and "includes specialized organizations that constrain, regulate, organize and represent at the level of the field itself" (DiMaggio, 1991, p. 268).

2) Exchange Processes

Knowing the types of communities of actors that reside in a field and the roles attributed to them represents only the initial step to understanding the structure of a field. Equally important is the "event history" that outlines the emerging patterns of relations among these organizations while taking into account the structural, technical and institutional factors that influence field development (Scott et al., forthcoming). The patterns of interaction among firms, for example the type and number of linkages binding them together, are also important when describing the structure of a field. Institutional theorists (Scott et al., forthcoming; Fligstein, 1991; Oliver, 1990; Powell, 1990; Buchko, 1994) have looked to different perspectives of interorganizational relationships to enhance our understanding of the web-like set of exchange processes that encompass organizations. The established network and social ties of a firm, those that provide the basis for shared beliefs among organizational actors, remain important when seeking to understand the shifts in the dominant logics of action of a collectivity of actors. Constructs employed to describe the exchange processes among actors include the degree of system coupling in a value-added network and the multiplexity of ties that bind actors to one another (Stern, 1979; Abrahamson & Fombrun, 1994). Importantly, the exchange processes among actors, as indicted through the degree of system coupling in a network and the multiplexity of ties among actors, both shape the world views of actors and stabilize and perpetuate the institutional logic they engender (Abrahamson & Fombrun, 1994). As such, these constructs are central to investigations of shifts in the beliefs and logics of actors within organizational fields.

The *degree of system coupling* refers to the "nature of connectedness between actors in a network" (Stern, 1979, p. 245). In a tightly coupled network, for example, events in one part of the systems are felt by actors in other sections of the network. Loosely coupled systems offer a degree of stability to actors as they are not subject to conditions impacting localized areas of the network (Weick, 1976). Cohesion among actors in a network, resulting from densely linked areas of a network, represent conduits through which beliefs among actors are shared (Abrahamson & Fombrun, 1994). Therefore, there should be a greater sharing of beliefs and increased uniformity in the world views of actors within a tightly coupled or very dense networks of actors. Tight coupling in a network may result from interorganizational arrangements such as corporate-financial interlocks. According to Oliver (1990, p. 257) corporate arrangements such as interlocking boards of directors have the potential to become "cohesive, hegemonic, mutually enforcing, and highly integrated industrial group."

The *multiplexity of ties* within a network refers to the type and number of linkages that bind industrial actors and the amount of resources transacted between them (Stern, 1979). Strong ties are described as stable relations that involve significant resources and serve multiple purposes (Stern, 1979). These enduring relationships act as a stabilizing force within networks (Granovetter, 1992). Weak ties, by comparison, are more easily severed and offer a degree of mobility and latitude that enable firms to choose their own strategy (Astley, 1984). Faulkner (1995) described an ascending hierarchy of network ties which showed increasing levels of integration between, for example a loose cooperative linkage, and stronger relationships such as strategic alliances or joint ventures. The multiplexity of ties in a network reflect the patterns of interactions that bind actors to one another and, as such, provide insight into the structural equivalence of actors. Structurally equivalent actors, suggested Abrahamson and Fombrun (1994), may engage in intense competition, may share similar beliefs, and, consequently, may embrace the same world views.

3) Beliefs and Logics of Action

Contemporary theorists have recognized the importance of the context in which collective cognitive processes arise (Hellgren, Melin & Pettersson, 1993; Abrahamson & Fombrun, 1994; Huff, 1982; Porac, Thomas & Baden-Fuller, 1989). Networks of interorganizational interaction serve as conduits of information and ideas to field members and, as such have the potential to impact the institutional logic of a field. In what ways does a network influence the ideas and beliefs of actors encompassed within it? The dominant logic of a field, according to Scott (1995), emerges as actors seek to define the specific nature of the business they are in, their competitors, and from whom they can most profitably learn. Cultural orders and practices arise within a field as appropriate rules, values and norms are created and legitimated. The actions of firms in a field are shaped and constrained as rituals, routines and solution strategies become widely practiced and taken-for-granted (Scott et al., forthcoming). Fligstein (1991) suggested that this process unfolds as actors monitor other organizations. By sensing and perceiving information from conduits such as the press, trade association meetings, or consultants new ideas are diffused. If an idea is perceived as being effective, actors in the organizational field will adopt it. When a sufficient number follow suit, the strategy "becomes institutionalized in the field and spreads rapidly to define successful behavior in a field" (Fligstein, 1991, p. 317).

The importance of the institutional logic to field members cannot be understated. The dominant logic of a field specifies for its members the templates of appropriately organizing a given competitive context (Scott, 1995). The institutional logic also underpins each actors' determination of the nature of the business they are in, who their competitors are, and what scripts they must use to compete within a particular context (Scott, 1995). The goals, criteria of effectiveness and skills required to carry out a firm's activities are also part and parcel of the institutional logic shared by actors within an organizational field (Scott, 1995). The competitive milieu of the industry, that which depicts the level of antagonistic or cooperative behavior among actors, also represents a key element when seeking to explain field-level interorganizational dynamics (Spender, 1989; Hellgren & Melin, 1992; Etzioni, 1988).

The beliefs and logics of action attributed to actors in the organizational field may be uncovered by exploring their templates of organizing. Templates of ideal characteristics are representative of the values and beliefs of the members in each population and, as such, underpin the structures and systems of these organizational actors (Hinings & Greenwood, 1988). Templates of organizing for particular populations of organizations may be uncovered by examining a selection of attributes. The attributes identified by Hinings and Greenwood (1988) were termed: (a) domain, (b) principles of organizing, and (c) criteria of effectiveness. The term *domain* refers to the refers to the actors' values and beliefs pertaining to the products, services and clientele of the organizations. *Principles of organizing* refers to the values pertaining to the use of roles, rules and reporting relationships in an organization. The *criteria of effectiveness* concerns the values and beliefs about the elements upon which the organization will be evaluated.

4) Governance Structures

Institutions serve as regulative mechanisms that structure and guide behavior and provide the basic structure by which human beings create order and endeavor to reduce uncertainty (Scott, 1995). Governance mechanisms may exist at varying levels of analysis including the world-system level, the societal level, the organizational field and population levels, and at organizational or subsystem levels of analysis (Scott, 1995). Examinations of governance structures by institutional theorists have considered the role of the state and the impact government policies have on industrial development (Barnett & Carroll, 1993) and the role of the self-enforcing mechanisms of the market (Campbell & Lindberg, 1991). Here, firms are governed by the technical demands of the market and by the demands and expectations of their institutional environment. These coexisting environments represent the context in which firms strive for rewards based upon their ability to be efficient and effective as well as their capacity to be seen as legitimate (Meyer & Rowan, 1977). The demands placed upon organizations by their technical and institutional environments regulate firm behavior by shaping and constraining their choices and, consequently, their actions. *Technical environments*, according to Meyer and Rowan (1977), serve as the arenas where products or services are produced and exchanged and where firm behavior is regulated by market forces. *Institutional environments*, by comparison, shape and constrain firm behavior by pressuring firms to conform to procedural requirements. Here, firm behaviors and practices are rewarded with legitimacy and support as opposed to the market-oriented rewards associated with efficiency and effectiveness (Scott & Meyer, 1992).

Institutional environments, according to DiMaggio and Powell (1983), are characterized by coercive, normative and mimetic mechanisms that induce organizations to conform to the expectations of others in their environment. These pressures emerge, and isomorphic change occurs, as organizations in a field begin to resemble one another, and when a firm's dependence on other organizations is increased. The state has been noted as a primary means of control in organizational fields. The state's ability to exert coercive pressures to force, persuade or invite firms to engage in particular activities or adopt certain practices has been widely documented (Scott, 1995). Legal and technical requirements of the state, for example, may shape organizations in similar ways as will the existence of a common legal framework that creates similarities in their structure and behavior (DiMaggio & Powell, 1983).

Thus, field-level governance involves a variety of mechanisms including top-down, state driven policies and rules or bottom-up processes directed by actors in the field (Scott, 1995). Governance influences fields by sustaining the actions of members or generating shocks that incite field-wide shifts (Scott, 1995). Interestingly, Scott et al. (forthcoming) emphasized that these governance mechanisms, whether legally sanctioned or morally governed, are the codification of a field's power structures and operating logic. Actors representing the legal structure and professionals who impose normative controls within a field may create, according to Scott et al. (forthcoming, p. 23), a "built-in source of potential conflict, synthesis and change." Furthermore, the regulatory systems that govern fields are not simply imposed from beyond, but are the result of a "reciprocal, interpretive process where legal constructs are defined and redefined interactively within a field" (Scott et al., forthcoming, p. 23). As an interactive framework evolves within a field, regulatory systems are subject to the interpretations of actors and, as such, are another source of change within organizational fields. Fligstein (1991), for example, found that private sector organizations use the state to organize their fields in a fashion that supports the interests of the already existing organizations.

In sum, organizational fields are a composition of dominant communities of actors and their exchange processes, an institutionalized set of beliefs and logics of action, and technical and institutional governance mechanisms. Organizational fields have been described as the context in which actors are constrained by regulative, normative and cognitive forces (Scott, 1994), and where organizations acquire social acceptability and endorsement as a consequence of sustained conformity to the norms and expectations of their institutional environment (Meyer & Rowan, 1977; DiMaggio & Powell, 1983). Yet, organizational actors and fields do change (Greenwood & Hinings, 1996; Fligstein, 1991; Scott et al., forthcoming; Oliver, 1991) and it is to this issue of change that we turn.

Change in Organizational Fields

Neo-institutional theorists have begun to investigate change at the organizational field level of analysis. Insights gleaned from these investigations hold promise for those seeking to understand the shifts that have occurred in the field encompassing professional sport leagues and franchises. Thus far, a number of factors contributing to change at the organizational field level of analysis have been identified. For example, Scott (1995) suggested that organizational fields have a life cycle of emergence, persistence and dissolution. This process has been traced in several empirical studies (DiMaggio, 1991; Fligstein, 1991; Leblebici, Salancik, Copay, & King, 1991). Investigations of the transformation of organizational fields have demonstrated how variances in a fields' maturity (Tolbert & Zucker, 1983), structure (Hinings & Greenwood, 1988a; Kikulis, Slack & Hinings, 1995; Tolbert, 1985), mechanisms for dissemination (Hinings & Greenwood, 1988; Kikulis et al., 1995), and degree of insulation of their boundaries (Child & Smith, 1987) affect the likelihood of change at this level of analysis. *How and why, then, and under what circumstances do organizational fields change? What factors may lead to the destabilization of the dominant logic that underpins a field? From where do the new ideas that supplant the previously held dominant logic emerge?*

The term structuration (Giddens, 1979) has been employed to describe the degree of change at the level of the organizational field that includes shifts in the interaction among firms and the nature of interorganizational structure that arises (DiMaggio & Powell, 1983). DiMaggio and Powell (1983) suggested that the outcomes of structuration consists of four parts: (1) an increase in the extent of interaction among organizations in the field; (2) the emergence of sharply defined interorganizational structures of domination and patterns of coalition; (3) an increase in the information load with which organizations in a field must contend; (4) and the development of a mutual awareness among participants that they are involved in a common enterprise. Scott (1994) has added three additional indicators: (5) increasing agreement on the institutional logics guiding activities within the field; (6)

increasing isomorphism of structural forms within populations in the field; and (7) increasing clarity of field boundaries. In comparison to the outcomes of structuration, the process of structuration refers to the way that structures shape action which, in turn, reconstitute the same structures (Suddaby et al., 1997).

Theorists have suggested a number of factors that may indicate a field's susceptibility to change (Greenwood & Hinings, 1996). The maturity of an organizational field is one such indicator. Suddaby et al. (1997) posited that in the early stages of field development, they are more pliant as compared to highly structured fields where the constituting forces of the structuration are increased. Dissemination mechanisms and, consequently, the presence of normative, coercive and mimetic pressures, are also present in well-developed fields (Powell, 1993). The degree of system coupling in a field also influences its propensity to change (Abrahamson & Fombrun, 1994). Tightly coupled fields, those that are characterized by a high degree of connectedness among units (Stern, 1979), have mechanisms for the diffusion of information, the monitoring of compliance, and a consistent set of expectations (Greenwood & Hinings, 1996). Furthermore, a tightly coupled field may lack the permeability of a more open network of organizations leading to increased insulation from other fields in its environment (Greenwood & Hinings, 1996).

New actors that enter an organizational field also have the potential to destabilize it (Scott et al., forthcoming; Fligstein, 1991). Turbulence arises in a field when new cast members enter, when entire populations emerge, or when veteran cast members grow in number or diminish over time (Scott et al., forthcoming). This turbulence, according to Scott et al. (forthcoming), may impact both the logic and governance systems characteristic of a field, as well as the roles attributed to particular populations of organizations. Fligstein (1991) also suggested that fields are more likely to change when new organizations, and the actors within them, enter. New organizations may provide innovative examples to existing firms who, over time, either adopt the innovative practices or continue to legitimate current actions (Fligstein, 1991). New entrants into a field may also bring a new logic that deviates from the way of viewing the world embraced by members of a field. Scott et al. (forthcoming) concurred stating that ideas and beliefs stemming from the broader society may be introduced into a field and, over time, take hold and exert influence on a given realm of actors.

Actors within a field are also recognized as a potential catalyst for change (Leblebici et al., 1991). Actors at the periphery of a field, according to Leblebici et al. (1991), for whom experimentation is less costly, may be a source for radically new practices. In their investigation of the broadcasting field, these researchers found that powerful actors who had vested interest in maintaining the status quo used their resources to resist change. In contrast, newer firms who were less likely to be sanctioned served as a source for innovation of new practices, ideas and beliefs. Competition among actors, however, encouraged the dominant actors to adopt those practices recognized as being successful at the periphery of the field. Over time, then, the radical practices were legitimized within the field (Leblebici et al., 1991). Fligstein (1991) concurred stating that once some organizations in a field changed their strategies and the change resulted in ostensibly superior results, then other actors followed suit and, over time, the practice became institutionalized.

Some fields, however, are more susceptible to new ideas. In mature or highly structured fields, for example, the interactions among participants have become routine and stable and a mutual awareness of the occupants in the field has emerged (Scott, 1994). Over time, the boundaries of the field become more clearly defined as actors look to others within their immediate referent group for stable interactions and solutions to problems (Scott, 1994). Thus, the structure of organizational fields (Hinings & Greenwood, 1988; Kikulis, Slack & Hinings, 1995; Tolbert, 1985), and the degree to which new ideas from beyond the field's boundaries are able to penetrate (Child & Smith, 1987) also influence the likelihood of change at this level of analysis.

The institutional logics of fields are also a source of change (Scott et al., forthcoming). The notion of the institutional logic suggests that all actors are coordinated by one set of dominant ideas and beliefs. Scott et al. (forthcoming, p. 15) suggested, however, that while "all organizational fields operate under one or more sets of institutional logics", one predominant logic sets the tone for the field. In this view, all organizations are governed by the same conceptions and rules pertaining to the means of appropriate action and criteria of effectiveness and efficiency (Scott et al., forthcoming). Furthermore, Scott et al. (forthcoming) noted that new entrants may be more likely to espouse new logics or to dispute existing logics than established individuals and collective actors. Thus, a dominant logic may be contested or supplanted as alternative notions regarding innovative actions are viewed as being appropriate within a given field.

Oliver (1992) also suggested that the ideas and beliefs that underpin institutional practices may erode in some circumstances. Here, previously legitimated or taken-for-granted assumptions and actions discontinue when organizations fail to "accept what was once a shared understanding of legitimate organizational conduct or by a discontinuity in the willingness or ability of organizations to take for granted and continually re-create an institutionalized organizational activity" (Oliver, 1992, p. 564). This process of deinstitutionalization, according to Oliver (1992), involves political, functional and social mechanisms within and outside of the organization, together with inertial pressures and entropy that serve as competing processes that moderate the rate of change.

Political pressures for the delegitimization of institutional practices may be predicted, according to Oliver (1992), during periods when a crisis of firm performance exists within an organization. Indicators of mounting pressures for change include the emergence of key individuals within the firm whose ideas and beliefs differ from those commonly held by actors within the firm; increased pressures to adopt innovative practices; and the reduction of dependence upon firms who supported or expected conformity to traditional institutional practices (Oliver, 1992). Here, both internal and external pressures for change are evident as a performance crisis within a firm may create disharmony among managers and serve to fragment shared interpretations about the appropriate course of action, while interorganizational conflict with traditional bargaining partners may erode consensus regarding appropriate practices among firms in the same field (Oliver, 1992).

Functional pressures resulting in the deinstitutionalization of a practice or commonly held belief may result from changes to the perceived utility or technical instrumentality of those practices (Oliver, 1992; DiMaggio & Powell, 1988). Functional pressures for deinstitutionalization may emerge when conflict between technical and social objectives arise, when the technical specificity of a practice increase, when the rewards from environmental constituents for a particular practice are reduced, and when the importance of task efficiency and effectiveness is heightened (Oliver, 1992). The collectively generated beliefs of individuals in a firm may also shift as organizational goals and performance indicators are clarified. Furthermore, increasing competition for scarce resources also pressures firms to be innovative, while events outside the firms' environment may also challenge contemporary operating assumptions of organizational actors (Oliver, 1992).

Social pressures have also been cited as a force for the deinstitutionalization of organizational practices and assumptions. Oliver (1992) asserts that taken-for-granted assumptions that appear immune to skepticism or challenge by organizational members, begin to shift as new meanings and interpretations are attached to organizational activities. These shifts in the taken-for-granted assumptions about the appropriateness of particular traditions and customs may occur amid periods of high staff turnover, leader succession and increases in the diversity of a firm's workforce (Oliver, 1992). Changes in a firms linkages with organizations within their field may also contribute to the destabilization of institutional values and practices. According to Oliver (1992), shifts in the interorganizational relations of a firm, such as a merger, a strategic alliance, or a joint venture also serve to alter the ideas and beliefs and practices of firm members as their legitimacy is called into question. Furthermore, shifts in the structure or patterns of interaction with a field also contribute to changes within and across organizations in the same institutional context (Oliver, 1992).

Accordingly, political, function and social pressures have the potential to deinstitutionalize commonly held beliefs and taken-for-granted assumptions of appropriate action for firms within an organization field. Over time, the dominant ideas and beliefs of actors within an industry may shift as pressures both from within organizations and those from their competitive environment change. Additionally, the implementation of strategies perceived as being successful by some actors in a field may generate mimetic activity among other organizations. According to Leblebici et al. (1991) the structure of an interorganizational field is the result of the evolution of practical solutions to problems developed by firms at the periphery of a field. In an attempt to gain value-added benefits from their interorganizational transactions, these often less powerful actors generate innovative solutions to problems and from this, new practices are generated. These innovative practices in turn become legitimized as they are accepted by the more established actors in the field (Leblebici, et al., 1991).

The result of this process is the reformation of the field with the new conventions shifting the pattern of transactions among participants and altering the definitions of success and the established value of critical resources. According to Fligstein (1991, p. 359) the more legitimate the new practice becomes, "the more it erodes the centrality of the established players and the institutional practices sustaining them." This process is not without struggle, however, as powerful actors in an field, and inertial forces within the organizations themselves, contribute to the maintenance of the status quo. Nevertheless, taken-for-granted assumptions pertaining to appropriate organizational practices may erode or decay as pressures from political, functional and social forces within organizations and forces from actors in the organizational field serve to alter the world view of actors.

Field-level change has been conceived as a dynamic process involving concomitant shifts in the actors and their patterns of relations, and the governance structures and logics of action of a field. According to Scott et al. (forthcoming), an examination of shifts in the boundaries between organizations or populations, the emergence of new types of firms, the creation of new types of linkages among organizations, and the co-evolution of populations will contribute to our understand of field-level change. Also to be considered are shifts in the governance structure of a field and its dominant logics. Given this, the three papers constituting this dissertation will use the framework for investigating organizational fields identified by these researchers. The factors facilitating shifts in organizational fields, in particular the collective beliefs of actors, will also be considered as the changes in the field encompassing North American professional sport leagues and franchises are uncovered through this research.

Given the apparent shifts in the actors, institutional logics of action, exchange processes and governance structures of the field encompassing North American professional sport leagues, the framework suggested by Scott et al. (forthcoming) was selected for this investigation. This framework provided opportunities to explore the transformation of varying dimensions of this organizational field as well as the interdependence among these dimensions. The insights garnered from this research on the environment in which the leagues and franchises were embedded will provide valuable clues to enhance our understanding of the changes in the collective beliefs of actors between 1970 and 1997. Importantly, these insights will facilitate an exploration of the factors that contributed to the transformation of the beliefs and logics of action underpinning league and franchise decision-making over an extended time period.

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