BEYOND THE “BUSINESS CASE” FOR THE WNBA: A STRATEGIC PERSPECTIVES APPROACH FOR LEAGUE SUSTAINABILITY

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ABSTRACT

Despite being the most successful women’s league in history, the Women’s National Basketball Association (WNBA) has faced challenges ranging from summer sport league placement to ownership issues. The most immediate concern though, is whether WNBA owners and NBA executives will continue to justify their investments in this financially wavering enterprise. This article is intended to contribute to the debate over the WNBA from a sustainability perspective. We further argue that corporate social responsibility (CSR) could be one of the underpinning elements to guide executive decision-making about the WNBA. We suggest that sustainability can be transposed beyond the “business case” for the WNBA by highlighting three forms of capital (i.e., economic, cultural, and social) that could be less polarized for the WNBA than for their male counterparts. Finally, we offer a CSR perspective for the WNBA arguing that it could be viewed as a strategic investment for the NBA.

Keywords: sustainability, strategic corporate social responsibility; social and cultural capital.

The Women’s National Basketball Association (WNBA) is comprised of 13 professional teams which are largely backed by the economic power of the National Basketball Association (NBA). Created in 1996, many WNBA teams are controlled by NBA franchise owners, share the same arenas as their men’s counterpart, oversees its operations, regulates team ownership, and negotiates broadcasting rights and sponsorships (McDonald, 2000). However, the existence of the WNBA as a brand extension of the NBA provides an opportunity to examine the strategic leveraging opportunities that exist for league stakeholders. This particular dynamic is unique – in that – the WNBA’s sustainability can be determined if social and cultural perspectives (to help grow the game of basketball) are considered.

In recent times, some properties housed in the professional sport industry have created league extensions (similar to the idea of a brand extension; see Aaker and Keller, 1990). For
example, the National Football League (NFL) created the World League of American Football (WLAF) which later became the NFL Europe, the World Wrestling Federation (now World Wrestling Entertainment) formed the XFL, the NBA also created the NBA Developmental League (D-League), as well as the WNBA (Campbell and Kent, 2002). Historically, league extensions have garnered little success; however, the WNBA possesses some key attributes that may help its sustainability. First, the rising influence of women in America has prompted similar rises for professional sport opportunities (Acosta and Carpenter, 2010). Second, the high cost of attending an NBA event is out of reach for the average American family but “… the WNBA is all about value” stated WBNA President Donna Orender (Brandweek, 2005). Third, the WNBA provides a unique marketing vehicle which appeals to the relatively untapped female viewership population for the NBA. Further, the WNBA is able to capitalize on sponsorship opportunities, arena deals, and financial support from the NBA and its owners.

Operationalized in the literature as efforts taken to conserve natural resources and avoid waste (Ambec and Lanoie, 2008), most sustainability discussions have been relegated to the orientation of businesses in the physical (i.e., natural) rather than the social environment. As such, the consequences of management practice for societal well-being has yet to be fully fleshed out (Pfeffer, 2010). This myopic view fails to capture the nuances of how sustainability applies to the social business environment because the term can clearly encompass a focus on human as well as physical resources. One of the foci of the Academy of Management’s (AOM) division of “Organizations and the Natural Environment” (O.N.E.) is, “managing human resources for sustainability”. This statement illustrates an orientation shift of broader sustainability discussions – particularly in the broad management literature.

One argument, in particular, that favors protecting the environment is the need for guaranteeing untainted natural resources for future generations (Anand and Sen, 2000). However, similar opportunities of leading worthwhile lives in a culturally accepting and socially stable world should be equally as important to preceding generations. This operational juxtaposition means that the demand for sustainability is then in fact, a particular reaction to claims applied to the future generations – whether they are social or environmental. Consequently, our discussion (and main thrust of this paper) of sustainability is focused on the organizations ability to influence human interactions and collective experiences in social space. This orientation addresses the social and cultural dimensions of the concept, and given the increased pressure of financial performance from WNBA stakeholders (e.g., owners, managers, coaches, etc.) we bring the question of the WNBA’s viability to the forefront. Further, this position holds merit when considering the principles underpinning CSR (in this particular case) because the NBA’s involvement in creating a sustainable business model for women’s basketball is a large part of their involvement with the WNBA.

The following section provides an overview of the WNBA and a description of the framework from which we ground our sustainability and CSR positions. Next, we present our sustainability arguments for the WNBA followed by three divergent perspectives through which to view the WNBA’s future. Two of these perspectives take light of the NBA and the role of CSR within their existing strategies.

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1 Business sustainability was regarded by Labuschagnea, Brenta, and van Erckin (2005) as incorporating the objectives of sustainable development, namely social and cultural equity, and economic efficiency into an organizations operational practice.
BACKGROUND AND FRAMEWORK OVERVIEW

The WNBA’s 1997 inaugural season was met with enthusiasm as the official slogan “We Got Next” assured fans of basketball action during the NBA’s summer off season (Banet-Weiser, 1999). From the outset, the WNBA’s $15 million marketing campaign and numerous corporate sponsors added to the allure of the WNBA by creating a visible and salient vision of women’s professional team sport in North America (McDonald, 2000). Despite the initial excitement, sponsor commitment, marketing efforts, and the NBA support, the WNBA (as a league) has struggled to increase its fanbase and generate revenue (Hoovers, 2009). Some franchises did not survive the early operating period including the Miami Sol and Portland Fire (both folded in 2002), the Cleveland Rockers (folded in 2003), and the Charlotte Sting (folded in 2007). Moreover, the league has shown a steady (downward) financial trend over the past several seasons alarming the stakeholders who are financially invested in attempting to grow women’s professional basketball. Some of the most recent signals that bring to question the league’s future viability include: 2009 rosters cut from 13 to 11 players, the league cut their pre-draft camp, ABC slashed its number of nationally televised broadcasts to one game, the 2008 WNBA champion Detroit Shock (now the Tulsa Shock) had trouble getting on local television, and the current economic tightening effecting all sports leagues searching for corporate sponsors (Corwin, 2009), has slowed league progress.

Given the WNBA’s struggles and current financial position, the purpose of this article is to address the question of WNBA sustainability and the role of the NBA in this process. To ground this purpose, we introduce three interconnected perspectives (i.e., business sustainability, social responsibility, and strategic social responsibility) used to examine the WNBA as a sustainable business.

While the concept of sustainability (from the social view of business; Pfeffer, 2010) is related to economic efficiency, market performance, and social responsibility it nevertheless remains difficult to express in concrete, operational terms. Consistent with some basic principles and requirements for sustainability (Dyllick and Hockerts, 2002; Elkington, 1997; Hockerts, 1999), we chose a strategic perspectives approach to examine the WNBA and the NBA’s role in its viability. Our strategic perspectives framework for WNBA sustainability thereby attempts to:

- Transpose sustainability to a brand extension in terms of financial, social, and cultural indicators.
- Advocate for strategic sustainability through an approach where economic, social, and cultural performance is taken into account regarding short and long-term league outcomes.
- Illustrate how the WNBA’s structure and operations contribute to the debate for strategic corporate social responsibility and the role of the NBA in this dynamic (CSR)\(^2\).

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\(^2\) CSR is a subset of corporate responsibilities that deals with a company’s voluntary/discretionary relationships with its societal and community stakeholders; and is regarded as an organization’s activities and status related to its perceived societal or stakeholder obligations Waddock (2004, p. 10).
Given the intent of this article, we suggest that decisions regarding the future of the WNBA could be made when social and cultural outcomes (beyond the purely financial) are considered. Regardless of this intent, the proposed synergy of these metrics may not adequately assist league decision-makers (i.e., at the business/management level) who are required to evaluate their operations in terms of fiduciary impacts (Labuschagne et al., 2005). This is problematic since financial viability is perhaps the weakest metric to evaluate the WNBA’s sustainability. Rather, social and cultural aspects of the WNBA’s operations are among the most salient perspectives from which to argue for continued investments from the NBA. It is important to note that we do not suggest that these metrics alone are sufficient enough to evaluate the WNBA’s viability. Nor do we assume that the role of the NBA and its CSR practices will ensure WNBA sustainability. Simply, we address this issue from several sustainability perspectives to determine if the financial commitment by NBA executives and current WNBA owners to support the league warrants a reevaluation.

Perspective #1. The WNBA as a Sustainable Business

Considering the current economic climate in the United States and the financial position of the WNBA, the sustainability issue for the league and its owners remains in question. When considering business sustainability (i.e., the incorporation of the objectives of sustainable development), economic efficiency and market performance have been the most primary considerations (Labuschagne et al., 2005). The sustainability debate is grounded in the assumption that satisfying financial and human needs constitute the ultimate goal (McCool and Stankey, 2004). But when transposing this idea to the business level, sustainability entails meeting current stakeholders’ needs without compromising the organization’s ability to meet the needs of future stakeholders (Dyllick and Hockerts, 2002).

Over the last decade, however, the social and institutional dimensions of sustainability have been of particular concern (Woolcock, 2001). During this period, the most salient departure from the traditional notion of sustainability was in the realization that economic performance alone is not a sufficient condition for organizational sustainability (Dyllick and Hockerts, 2002; Gladwin, Kennelly, and Krause, 1995). This one-dimensional focus on economics may succeed in the short-term (Dyllick and Hockerts, 2002) but in the long-term a sustainable organization must satisfy three forms of capital used to fuel longevity: (1) economic capital, (2) cultural capital, and (3) social capital.

**Economic capital** refers to assets “… immediately and directly convertible into money and may be institutionalized in the form of property rights” (Bourdieu, 1986, p. 243). **Cultural capital** has arisen from the realization that the embodiment of beliefs, experience, and associations in people, is every bit as important as physical capital in producing output in the economy (Becker, 1964). **Social capital** describes circumstances in which individuals use membership in groups and networks to secure benefits (Sobel, 2002), which “… may (over time) become institutionalized” (Bourdieu, 1986, p. 243). These economic, cultural, and social aspects were applied to a sustainability model for the WNBA (see Figure 1). To analyze sustainability in this manner, we address the issues related to the sustainability propositions noted above. One limitation of this approach is that unless the proposed indicators are moving in the same direction (i.e., all making the organization more or less
sustainable), it may not be possible to say whether (in the aggregate) sustainability is being approached or not.

**Figure 1. Sustainability: Economic, Cultural and Social Capital.**

*Economic Capital*

Financial Resources
"Self-Sufficiency"
Revenue Generation

*Social Capital*

Social Structure
"Bonding & Bridging"
Human & Societal

*Cultural Capital*

Culture Exchanges
"Shared Significance"
Cultural Value

*Institutional Environment*

Complimentary
Synergistic
Substantive

*Economic Capital and Sustainability.* In order to be successful, an organization must manage their economic capital in a sustainable way. Simply, economically sustainable organizations guarantee (at any time) cash flow sufficient to ensure liquidity (Spangenberg, 2005). In trying to reformulate the idea of economic sustainability many have tended to focus on the “business case” for sustainable development by attending to only the financial side of the argument (Reinhardt, 1999; Dyllick, 1999; Fussler and James, 1996). Although such an approach is an important step towards sustainability, according to Dyllick and Hockerts (2002) it is unfortunately not enough. Rather, economic sustainability should be synonymous with the phrase “self-sufficiency,” overcoming situations where external financiers provide assistance to the organization. Therefore, organizations can only maintain long-term survival through their own ability to be profitable (Bickham, 2002).

While the WNBA is the longest running and most successful women’s professional league in history, a lack of financial independence continues to threaten their existence (Zhang et al., 2003). Ultimately, any financial success the WNBA has witnessed can be attributed to the large financial support received from their creator – the NBA (Evans, 2007). Despite this assistance, the WNBA has not succeeded in becoming economically independent from the NBA and their independent financial viability remains a continuous topic. From the outset, the eight inaugural teams were affiliated with an NBA franchise, an ownership model that remained until Connecticut became the first independent WNBA team. Now, six teams (i.e., Atlanta, Chicago, Connecticut, Los Angeles, Seattle, and Washington) are financially detached from an NBA franchise (Voepel, 2009). On the surface, this appears promising and
the league’s current situation is what Dial (2008) considered “stable”, the WNBA will have to continue this trend in order to achieve (overall) financial independence. Nonetheless, the WNBA still fails to generate profits and the NBA continues to supplement these losses with profits from the men’s side to keep the league afloat. Opinions differ about whether this is a sound long-term plan and whether (or not) the WNBA can ever be weaned off the NBA and become profitable, is questionable.

The 2008 season saw some moderate financial success for the league pointing towards some signs of survival. The WNBA’s average attendance rose by 2.7%, local television ratings grew 19%, merchandise sales were up 36%, and five new major sponsors signed on (Sandomir, 2008). In terms of viewership on ESPN2, the WNBA generated a .2 rating over 14 games (the NBA averages between a 2.0 and 4.0 rating) in 2009, the same rating as the 2008 season only over 15 games (Sport Business Daily, 2009). Unfortunately, on ABC the ratings were not much better with a .5 rating over eight games. Despite these numbers appearing successful from a developmental standpoint (Banet-Weiser, 1999), the WNBA’s product continues to fall short of the revenue generating expectations predicted by the NBA. In the aggregate, average WNBA attendance has slowly decreased in recent years, television ratings have been sluggish, and many WNBA teams continue to lose money.

Recognizing the downturn in the economy some of the WNBA’s owners have taken a cue from international sports, where displaying corporate names on jerseys is a common tactic to supplement revenues. The Phoenix Mercury penned a three-year deal with Tempe, Arizona-based LifeLock worth $1 million annually and the Los Angeles Sparks agreed to a multi-year deal with Farmers Insurance to put the company’s logo on their jersey’s (Sandomir, 2009). While these deals illustrate a shift in financial positioning of the respective teams, the league salary structure still parallels that of a small business. Altius (2010) reported that players with less than two years of service earn $35,880 while those with three or more years of service earn $52,000. This is not surprising given that the current salary cap for the league is currently set at $796,000, which most teams cannot approach due to the lack of sponsorship and television revenue shared amongst the teams (Altius, 2010).

In terms of attendance, the 2008 WNBA champion Detroit Shock led the WNBA in attendance in 2009 but with four major professional teams (along with the University of Michigan and Michigan State athletics) made it difficult to garner an avid fan base in their home state. This lack of support led to the sale of the team and their subsequent move to Tulsa where (coupled with their NBA counterpart) provide fans with two professional basketball teams. NBA Commissioner David Stern projected league-wide losses of $400 million for the 2010 season and further noted that the league had lost hundreds of millions in each previous year of the current collective bargaining agreement – which is set to expire in 2011 (Mahoney, 2010).

Based on the available financial data and the lack of independence by most of the WNBA’s teams, we now see that the financial self-sufficiency may be a long way off. However, Commissioner Stern has continually emphasized that the WNBA’s value is not seen as financial. Rather, he feels that the league is an ambassador that draws new fans (especially women) to the sport of basketball. This argument, in particular, has helped the league justify its financial losses incurred over the previous seasons. Stern maintained that “… we have a good strategic reason to support the WNBA, which is the growth of viewership and fans for basketball” (Heath, 2006, p. 1). Irrespective of the argument for attracting female
WNBA Sustainability

viewers to the NBA, the league should consider the cultural and social arguments for league sustainability.

Cultural Capital and Sustainability. Following the views of Bourdieu (1986), the widest use of the term “cultural capital” has been relegated to sociology and cultural studies, which have identified cultural capital as acquiring competence in society’s culture (Throsby, 1999). Bourdieu’s theory attempts to explain the role of cultural distinctions in social space. In this article we seek to demonstrate the applicability of Bordieu’s model to the WNBA’s contribution to cultural sustainability. Indeed, numerous marketing and media representations have celebrated the WNBA and its players for ostensibly providing role models in women’s quest for cultural value within a largely male dominant sport environment (McDonald, 2000). Bourdieu (1986) conceptualized human social activity as “exchanges” occurring within an “economy of practice” in which all action yields, or fails to yield, material and symbolic profits (i.e., pursuit of gain and advantage; Bourdieu, 1986; Bourdieu and Wacquant, 1992). From this view, the liberal vision and fair treatment of women illustrated by the WNBA closely resembles the “exchanges” posited by Bourdieu; due not to the absence of males but rather to the progress, inclusion, and equality that circulates among females (McDonald, 2000). Within this context, the WNBA plays an integral role in constituting the progress of professional women’s sport and is therefore cultural significant.

Something is said to be of “cultural value” if it contributes to shared elements of human experience (Olneck, 2000). In sport, cultural value can be reflected in a story about the human condition (i.e., which people can recognize and can relate to); a stadium or arena that embodies the history or tradition of a team, binding a community together (James, Walker, and Kuminka, 2009); a shared team identity providing the means by which cultural exchanges are transmitted among “in-group” members (Heere and James, 2007a, 2007b). Cultural value can also be seen at the league-level. For example (and consistent with its mission), several of the NBA’s activities can be viewed as contributing to the human experience. Take for instance league programs such as “Read to Achieve”, “Basketball without Boarders” and “NBA Cares” which communicate the NBA’s commitment to the human condition (and their socially responsible agenda). These programs express the NBA’s concern for the issues facing both local and global communities by providing valuable resources to various cultures.

While the WNBA has similar league programs, arguably the concepts of “cultural value” and “cultural capital” can be augmented within the WNBA, its communities, and its supporters. In fact, the mere existence of the NBA may have already bolstered the cultural capital of the WNBA. Specifically, the league’s 13-year presence within the masculine context of sport helps to largely inform the WNBA’s image and affords the league a great deal of cultural capital (McDonald, 2000, 2008). While the media’s representation of female athletes remains heavily reliant on socially constructed heteronormative gender roles (Kane, 1988), the increased presence of women within professional sport suggests that (visible) shifts are occurring. There are also indications that the gendered nature of occupational roles within the sport context is also changing (Therberge, 1993). Within the NBA for example, women continue to occupy a substantial (albeit unequal) number of professional positions (Lapchick, 2009a). The WNBA however, is the only professional sport league with all female players, a female president, and a majority of women occupying senior level coaching and administrative positions (Lapchick, 2009b). By vehemently promoting their role(s) in this “exchange” and actively touting these women as role models, the WNBA could enrich the lives of many women while reciprocally increasing its cultural capital.
An increased focus on a cultural market for sustainability can be easily integrated into the WNBA’s existing structure. To some extent, the current focus of marketing efforts for the WNBA is already aimed at reaching this cultural marketplace. League representatives, including President Donna Orender, have maintained that the demographics of the league are very different from those of the NBA. “… We strongly believe that the WNBA appeals not just to the existing basketball fan base but to a new pool of fans,” Orender says and “… the WNBA is successful because it’s reaching out to a different group of people who historically haven’t been served, or have been underserved, by the NBA” (Busbee, 2008). Demographic studies bear this out, as the majority of the WNBA’s female fan base (78%) is more educated and make more annual income than their NBA counterparts, and WNBA fans are more inclined to attend games with a family member. Taken together, these data suggests the WNBA is putting out a more female- and family-friendly product than its more famous big brother (and at a lower cost), the likes of which may provide a great deal of cultural capital for the league (Busbee, 2008; Fitzgerald, 2008; Olneck, 2000).

Social Capital and Sustainability. In addition to economic and cultural capital as a criterion for sustainability, social capital has become an increasingly important aspect of businesses. The words “social” and “capital” suggest that social sustainability can be gained through social relations (Seippel, 2006). Scholars have asserted that social capital is a resource, which is embedded in a social structure, composed of social networks, ties, and other communal structures (Hall and Jones, 1999; Koo and Perkins, 1995). Through the processes of “bonding” and “bridging” (Gittell and Vidal 1998, p. 10) various forms of social capital, the strongest ties can be formed. The formation of such ties is often related to social roles, knowledge flow, and problem solving (Ahuja, 2000; Granovetter, 1985). And such relationships (e.g., between individuals and organizations) that are based on expectations and trust have the potential to foster various complementary resources (e.g., support and knowledge). The byproduct of which, can ultimately result in social cooperation and sustainability (Uvin, Jain and Brown, 2000; Woolcock, 2001).

From a collectivist perspective, Putnam (2000) identified several areas (e.g., trust, reciprocity, cooperation, civic engagement and social networks) as fundamental components to building social capital within (i.e., bonding) and between (i.e., bridging) communities. As such, social capital includes the quality of public services and strong societal relationships that reinforce social value creation by fostering social networks (i.e., communities). It also refers to the resources that lie in human relationships, whether casual or close (Boehm, 2005), such as communication networks, norms, and active engagement of individuals in community groups (Putnam, 2000).

Given this commentary, how do we apply social capital to WNBA sustainability? Furthermore, what relevance does social capital (e.g., norms and networks) have WNBA owners? For these answers we follow the view of Woolcock (2001) who suggested taking the central ideas underlying social capital and applying them to the broader issue of social sustainability. Woolcock maintained, that while social capital is not necessarily a panacea (i.e., more is not necessarily better), the manner to which individuals associate with each other carry some sweeping implications for social well-being. In addition, Rodrik (1999a, 1999b) pointed out that divided societies (e.g., along ethnic and economic lines) are prone to a growth collapse. Thus, the relationships formed between the WNBA, their communities, other organizations, and the general public could be central to their survival.
A focus on the connectedness between the WNBA and salient communities may garner social, cultural, and economic growth for the WNBA in a number of ways. First, sport has always been seen as contributing to social inclusion and equality (two aspects inherent to social capital creation; see Uslaner, 1999); however, social inclusion becomes more salient when referencing women’s sport, which has not shared the same levels of inclusion as its male counterpart. Social groups tend to learn more when they can draw upon the cultural resources of people and social institutions that surround them (Jarvie, 2003). The extent to which professional sport institutions (like the WNBA) have a commitment to social learning and cultural inclusion suggest that they too possess some degree of social capital. Second, social capital involves opening up new social relations (i.e., bridging effects discussed by Putnam, 2000). For the WNBA, the “bridging” effect is most pronounced because social relations have implications for how community members face external phenomena such as inclusion and gender equality in the larger social fabric. Further, sport builds social capital because it widens our social contact, spreads tolerance, and promotes egalitarian values (Jarvie, 2003).

It is also worth noting the importance of Putnam’s (2000) “bonding” effect, related to social capital for the WNBA. Whereas bridging focuses on the WNBA cultivating new relationships with external communities, bonding focuses on the WNBA’s already established relationships. For example, there are aspects of the WNBA’s present relationships (i.e., the NBA, WNBA consumers, and WNBA sponsors) that if highlighted, could generate social capital for the league and potentially strengthen its independent image from the NBA. Indeed, the WNBA’s environment already fosters a sense of community for fans and social groups (Banet-Weiser, 1999; Tuller, 2007). Embracing this sense of community could be advantageous for the league, as well as beneficial for the fans themselves. By establishing trust, cooperation, and reciprocity between themselves and their fanbase, the WNBA may be able to garner additional social capital (Putnam, 2000). In essence, we argue that the WNBA needs to strengthen its own individual identity without completely abandoning the NBA since those resources greatly augment the larger game of basketball and are an important part of its cultural heritage. To illustrate, tickets to WNBA games are substantially less expensive than tickets to NBA games. By emphasizing to fans of basketball, particularly those hit hard by the current economy, that they can enjoy the WNBA game at a lower cost there may be a reciprocal benefit to the sport of basketball. Based on our theorizing and the descriptions of social capital, we propose that the WNBA has already fostered a great deal of social capital and through further bridging and bonding, can strengthen its independent identity. To the extent that the WNBA’s relationships are nurtured, we believe that additional amounts of social capital can be created.

**Perspective # 2: WNBA as Part of the NBA’s Corporate Social Responsibility**

Academic and practitioner attention on CSR has increased as of late. This attention has been precipitated by realizing the value that can be created by pursuing CSR policies (McWilliams and Siegel, 2001; McWilliams, Siegel, and Wright, 2006). For example, firms can potentially achieve a favorable image among stakeholder groups (e.g., customers, employees, suppliers, etc.) by simply adopting socially responsible behaviors. For more than a few years now, the sport industry has embraced and advanced a number of socially
responsible initiatives (see Walker and Kent, 2009). Like most of the sport industry, leagues and teams have been dedicated to leadership in CSR, using the popularity and visibility of its teams and players to effect positive change. For the NBA, their CSR agenda is channeled through their “NBA Cares” program. This program aligns with the fundamental components of the NBA’s overall mission and builds on their tradition of addressing important social issues in the United States and around the world (NBA, 2009).

Consistent with the NBA’s (2009) mission to “… grow and celebrate the game of basketball” and “… develop leadership in social responsibility”, the NBA Cares program has three pillars: (1) education, (2) youth and family development, and (3) health-related causes. While the NBA is regarded as a leader in these areas, our theorizing suggests that more extensively highlighting their mission to address social and cultural capital (i.e., issues of diversity and minority inclusion creation) could be an additionally important aspect of their “Caring” program (i.e., the 4th Pillar). The addition of this fourth pillar would be quite easy, as the NBA already recognizes the importance of diversity by supporting the WNBA and its operations. We therefore suggest that including (and moreover trumpeting) these areas into their CSR platform may create (and ultimately foster) increased social and cultural capital while instrumentally providing a vehicle for image enhancement and positive stakeholder associations.

Much of the academic attention on CSR has focused on the social-financial performance link (Rowley and Berman, 2000). The problem with this myopic focus is that executives fail to gauge the significance of cultural and social capital that could potentially boost bottom line performance. While the ability to link cultural and social capital with positive financial performance remains difficult, if an organization can show that changes in culture that can generate positive societal performance, a stronger case can be made for an alternative focus to the purely financial. To this end, the cultural and social value that the WNBA offers presents a unique opportunity for the NBA to expand their CSR network. Given that CSR furthers many socially based ends, a focus on cultural dimensions is likely to be linked to the values relevant to CSR that collectively can make the NBA appear more socially responsible (Javidan et al., 2005). Thus, we propose that the societal-level value of diversity should guide and direct the NBA’s responsible actions toward a more culturally-oriented and diverse product (Frederick, 1994; Wood, 1991).

Our main thesis is that societal-level beliefs held by societal members (e.g., basketball enthusiasts) can influence the beliefs of the organization. Institutional theory bolsters this assertion – in that – organizations will adopt societal-level values as a way to gain legitimacy and transparency (Dickson, BeShears, and Gupta, 2004; DiMaggio and Powell, 1983). Therefore, societal values should ultimately influence the emergence of value for the WNBA and help to sustain their operations beyond the scope of fiduciary success. For NBA executives who care about ethics and CSR, and adhere to the fundamental mission of the league, there are many compelling reasons (beyond financial gain) to support and champion for the WNBA as a source of not only, social and cultural capital, but social responsibility as well.
Perspective # 3: The WNBA as Strategic CSR for the NBA

The phrase “strategic CSR” is used to refer to a positioning strategy that yields benefits for the firm (Baron, 2001; Husted and Allen, 2006; McWilliams et al., 2006). However, for some scholars, “strategic” CSR has come to mean adopting strategies that have worked for similar or competing organizations. For the NBA adopting these so called, “best practices” seems imprudent for the same reason that benchmarking against other leagues would lead to disappointing results (Heslin and Ochoa, 2008). In a widely cited Harvard Business Review article, Kanter (1999) provided examples of CSR as a source of differentiation and innovation. Based on these examples, we argue that by effectively positioning the WNBA as strategic CSR, the NBA will gain the ability to differentiate themselves based on the organization’s unique culture, competencies, and other strategic opportunities. Thus, effectively (and moreover strategically) managing CSR might assist in mitigating negativity as well as bringing other significant benefits to the NBA (Hillman and Keim, 2001; Husted, 2005; McWilliams and Siegel, 2001) that go beyond reputation-building to the further development of social, cultural, and economic capital.

The strategic approach to CSR means leveraging social initiatives in a way to accrue a direct return on investment (Porter and Kramer, 2002). As a branding strategy, the use of CSR requires an understanding of the deviation from the traditional branding concept. While most brands are designed to reflect certain product attributes (Kitchin, 2003; Werther and Chandler, 2005), CSR branding means that social efforts are an essential part of the brand. However, there must be a long-term commitment to CSR activities and consideration must be given to the issues deemed important to the brands’ stakeholders. There also must be sufficient resources to support actions and provide robust measures of performance (Dawkins and Lewis, 2003; Middlemiss, 2003; Werther and Chandler, 2005). To support this idea, we offer three main areas where the NBA may capitalize strategically through investments in the WNBA’s future.

First, the WNBA helps to expand (i.e., to reach new markets) and differentiate the NBA’s core product, thereby fulfilling the NBA’s mission of growing and celebrating the game of basketball (NBA, 2009). As such, it is possible that developing strategies to better access the totality of basketball’s diversifying audience, rather than focusing on target populations, could allow both the WNBA and the NBA to benefit – particularly as the market for basketball is burgeoning. Based on this, CSR can be viewed as an investment for the NBA and one way in particular to assess an investment in CSR is as a mechanism for product expansion on both the domestic and international stage.

Firms adopting a differentiation strategy often pursue multiple means of differentiation. For example, one of the most cited instances of CSR and differentiation is that of Ben and Jerry’s, which differentiates its products by creating unique flavors, using high-quality ingredients, supporting the local community, and promoting diversity in the workplace. Similarly for the NBA, facilitating the WNBA’s operations to foster differentiation means to support a product that is unique, diverse, socially and culturally beneficial to the community, and financially more viable for the consumer. Viewed in this light, strategically investing in the WNBA as a CSR policy may be a means of achieving differentiation, because it will allow NBA executives the ability to simultaneously satisfy personal interests while achieving product differentiation. As such, the NBA occupies a potentially powerful position because they have the ability to anticipate and reduce the risk associated with any regulation that may
be imposed on the sport industry. A further result of this differentiation, the NBA could even push for tighter standards relating to CSR, diversity, and female participation in order to enjoy a strategic first-mover advantage in professional sport.

Second, according to Dietz-Ulher and colleagues (2000), the very presence of the WNBA has shifted the gendered nature of sport fan attitudes and behaviors by diversifying the sport of basketball. Generally speaking, the presence of both males and females identifying as sport fans strengthens the argument that the game of basketball fosters diversity. Thus, if correctly promoted, diversity may help to improve the image (and prestige) of the NBA and WNBA thereby inculcating customer loyalty and stakeholder support. Although this argument seems straightforward, it is difficult to find strong empirical evidence that customers are influenced by an organizations diverse workforce (perhaps an area of future study). To the extent that an organization’s commitment to diversity enhances its image might prompt external stakeholders to take notice (Hatch and Schultz, 1997, 2002). Hence, the impact on the overwhelmingly masculine domain of sport could make the NBA more appealing to the WNBA’s small but dedicated fan base. As such, the movement of the NBA toward a softer more socially conscious position could draw in individuals that may lie on the periphery of fanship. This could be accomplished by notably embracing the WNBA and providing a fair and equitable product (i.e., salaries, opportunities, etc). The NBA can position itself at the forefront of breaking down the established gendered image and barriers of sport and as a result, attract a different type of basketball enthusiast (McCabe, 2008).

Third, as Carroll (1991) noted, economic and financial responsibilities are the basis from which all other corporate responsibilities form. This is logical, as the fundamental purpose and expectation of any organization is to generate profits that exceed expenses. From this bottom-up perspective, the CSR behaviors of the organization must satisfy economic responsibilities as well as legal, ethical, and philanthropic ones. It is worth noting that there are top-down and even reciprocal benefits that materialize from these responsibilities. Consider the example of a firm that adopts an environmentally sustainable practice. Not only will such practices benefit the environment but also make the community a more attractive place to work, which could (reciprocally) benefit the organization. To the extent that the practice is adopted with the specific intent of influencing productivity and profits, it is said to be strategic. Thus, while the practice may have spillover benefits to the community, the primary motivation for the practice is to maximize profits (Baron, 2001). Similar benefits could be accrued for the NBA should they strategically invest in the future of the WNBA.

**DISCUSSION**

Beyond the business case for the WNBA, we can see that in terms of its cultural and social significance the league has much to offer not only the sport world but society in general. Thus, the current orientation of the WNBA (i.e., as a profit-driven entity) is in need of a change to one that focuses on the integration social and cultural issues into their overall business model. The problem with this transition is that the NBA’s model (as with most professional sport organizations) focuses too heavily on recognizing the impact that strategy and practice have on stakeholders and societies, rather than on overall sustainability of their brand. The NBA’s initiatives, based on their understanding of “responsibility” in practice, often go well beyond efforts to “do good” for society. However, the organization has failed to
recognize the fundamental role they play in building healthy and culturally integrated societies.

While the dominant market logic of profit maximization remains a powerful motivating force, organizations like the NBA should be adopting a differing logic, one in which attention to stakeholders and society is necessary in order to retain a rich stock of social networks and civic associations (i.e., “bonding” and “bridging”). Thus, we suggest that such exogenous investments should be allocated on existing assets in two main categories: (1) social capital and (2) cultural capital. While investments in these areas are not typically necessary in order for the organizational network to expand, they should ultimately exist in some form for the organization to move toward a position of true self-sufficiency. This stance will ultimately put the WNBA and NBA in a stronger position to confront various social issues and take advantage of new culturally and socially distinct opportunities. Alternatively, the lack or absence of social ties could have an equally important (albeit pejorative) impact on their operations.

CONCLUSIONS

In sum, critically examining WNBA sustainability requires the consideration of other organizational characteristics than the fiduciary. While it is undoubtedly important for the WNBA to create economic capital and move toward financial self-sufficiency (i.e., independently sustainable business model), the role of the NBA remains critical in this process. Intuitively, we understand that while finances play a critical role in the WNBA’s survival, league decision-makers must also consider that social and cultural capital is (in this case) worth the financial losses incurred. In pursuit of this end, the WNBA must continue to strengthen their position in existing local markets and concurrently focus their operations on the creation of social and cultural capital by celebrating the larger role they play in inclusion and diversity. Augmenting existing marketing strategies aimed at fostering cultural sustainability may render a more robust bottom line. Because the WNBA’s network is geographically porous, their partnership with the NBA (i.e., bonding) and external communities (i.e., bridging) will help increase social capital around the nation. Enhancing the WNBA’s relationships with the NBA and other external communities will increase the creation of social capital thereby fostering social sustainability (arguably benefiting both leagues). By continuing to support the WNBA and the capital it produces, the NBA is operating in a socially responsive manner and aiding in the sustainability of its sister league. Investing in the sustainability of the WNBA will benefit the NBA by differentiating it from other professional sport leagues due to their expansive focus. As well, such investments in sustainability will also help to expand the NBA’s fanbase, ultimately benefitting their bottom line.

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