



Constraining capacity: understanding the impact of austerity on Third Sector Sport Organisations

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ABSTRACT

Third Sector Sports Organisations (TSSOs) play an increasingly important role in England's sport and physical activity landscape, particularly in delivering community-based programmes that contribute to a range of social outcomes. Operating within a context of prolonged austerity, these organisations face growing pressures to demonstrate impact, align with strategic priorities and sustain delivery. Understanding their organisational capacity – defined as an organisation's ability to mobilise resources across human, financial, relational, infrastructural and strategic domains (Hall et al., 2003) – is therefore critical. Drawing on a sequential mixed methods design, including survey data (n=114) and semi-structured interviews across seven organisations (n=16), the study explores how capacity is mobilised and

constrained in response to external pressures, using Hall et al.'s (2003) multidimensional framework. Findings highlight significant challenges across multiple capacity dimensions, with financial precarity, volunteer recruitment and limited strategic planning emerging as key constraints. The analysis also demonstrates the interdependence of capacity domains and the role of collaboration in mitigating resource limitations. The findings underscore the limitations of short-term, outcome-based funding models and highlight the need for more sustainable and flexible support mechanisms, contributing to debates on the viability of long-term third sector sport provision.

INTRODUCTION

Third Sector Sports Organisations (TSSOs) occupy a critical position within England's sport and physical activity landscape, particularly in the delivery of community-based programmes that aim to generate a range of individual and societal benefits. These organisations - including charities, community interest companies (CICs), and community sports clubs - are often embedded within local communities and operate with a strong social mission. Their remit frequently extends beyond facilitating participation in sport, encompassing broader objectives such as improving physical and mental health, fostering youth development and enhancing social cohesion (Bramham et al., 2007; Coalter, 2013; Schulenkorf, 2016; Skinner et al., 2008). As such, TSSOs have become central actors in the delivery of value-driven services through sport and physical activity.

In recent years, these organisations have faced a confluence of pressures, including prolonged austerity, compounded by additional shocks such as the Covid-19 pandemic and the cost-of-living crisis (Downward et al., 2025). At the same time, evolving policy expectations have increasingly positioned sport as a mechanism for achieving wider social outcomes (Parnell et al., 2019), placing additional demands on organisations to demonstrate impact alongside sustaining delivery. Consequently, TSSOs are required to navigate heightened administrative demands and demonstrate accountability, often with limited resources and overstretched personnel (Bloyce et al., 2008). In this context, questions of organisational adaptability and resilience have gained prominence. Understanding the organisational capacity of TSSOs is therefore essential, as this provides a lens through which to assess how organisations mobilise resources, respond to external demands and maintain their core mission amidst uncertainty (Eisinger, 2002; Hall et al., 2003; Sawhill & Williamson, 2001; Sowa, Seldon & Sandfort, 2004). Organisational capacity broadly refers to the resources and systems

that enable organisations to fulfil their mission and respond effectively to external demands (Hall et al., 2003). It encompasses both tangible assets - such as financial resources, staffing and infrastructure, and intangible elements including leadership, strategic orientation and relational capital (Hall et al., 2003). It is important to note that capacity is understood to be dynamic and does not operate in isolation; it is shaped by the interplay between internal dynamics and external conditions, and is often contingent upon an organisation's ability to mobilise resources, build partnerships and adapt to change (Balduck et al., 2015; Dowling et al., 2021; Girginov et al., 2017; Hall et al., 2003; Hou et al., 2003; Millar & Doherty, 2016; Misener & Doherty, 2013).

This study examines the organisational capacity of TSSOs in England using Hall et al.'s (2003) multidimensional framework, which conceptualises capacity across five interrelated domains. Drawing on mixed methods data, the findings explore how TSSOs manage and negotiate capacity challenges in the context of prolonged austerity. The study addresses the following research question: *How do TSSOs negotiate organisational capacity challenges in a dynamic and resource-constrained context?*

Context: Austerity, Neoliberalism and Third Sector Sport

The operating environment for third sector sport organisations (TSSOs) in England has been fundamentally shaped by the political and economic legacy of the 2008 global financial crisis (Dowling et al., 2023). In the years following the financial crisis, the UK government implemented a programme of fiscal austerity designed to reduce public expenditure, restructure local government services and scale back state responsibility for community provision (Parnell et al., 2018; Rossi & Jeanes, 2018). These developments are consistent with broader shifts towards devolved governance and community-led provision, often associated with the UK Government's 'Big Society' agenda (Levitas, 2012; Morgan, 2013). It is these reforms that have fundamentally shaped resourcing since then, particularly affecting non-statutory services such as sport and leisure, where provision is discretionary and therefore highly vulnerable to financial cuts (Collins & Haudenhuyse, 2015; Parnell et al., 2018; Roberts, 2017).

The Government Comprehensive Spending Review (2010) was a key turning point in this timeline, which initiated widespread reductions in public sector budgets, including substantial cuts at local government level (Walker & Hayton, 2018; Lowndes & Gardner, 2016). As austerity measures continued beyond 2015, a second phase referred to as 'super-austerity', further reduced local authority spending and deepened the long-term consequences for

community-based service delivery (Lowndes & Gardner, 2016; Parnell et al., 2018). This context of prolonged fiscal tightening created an increasingly precarious landscape for TSSOs (Parnell et al., 2019), many of which operate in an increasingly competitive and precarious environment with limited reserves, high volunteer reliance and shrinking external support. These challenges have been further compounded by more recent external shocks, including the Covid-19 pandemic and the cost-of-living crisis, which have intensified existing vulnerabilities rather than representing a departure from the longer-term effects of austerity (Downward et al., 2025).

Importantly, the effects of austerity have not been evenly distributed. Research shows that geographical variation has deepened inequalities, with deprived areas experiencing the most severe reductions in public provision and the least capacity for private sector actors to fill the gaps (Lowndes & Gardner, 2016). Many TSSOs delivering in these settings face amplified pressures, as they are often the primary providers of low-cost, community-based sport programmes for populations disproportionately affected by public service withdrawal.

Austerity has also intersected with the broader neoliberal restructuring of public service governance where it has acted not only as an economic strategy but as a political mechanism to accelerate neoliberal ideals centred on marketisation, competition, efficiency, individual responsibility and reduced state intervention (Clarke & Newman, 2012; Levitas, 2012; Andrews & Silk, 2018). Within the community sport sector, these changes have manifested through heightened pressures to secure competitive, short-term project funding; demonstrate measurable outcomes; and adopt entrepreneurial and business-oriented practices (Dean, 2010; Rossi & Jeanes, 2018). In practice, this has required TSSOs to navigate complex administrative demands and adapt to increasingly instrumental expectations that often extend well beyond traditional sport delivery.

The combined effects of austerity and neoliberal governance have contributed to the fragmentation of the sport delivery landscape. As public funding has diminished, organisations increasingly compete for the same finite resources, creating territorial friction and reducing opportunities for strategic coordination (Walker & Hayton, 2018; Baker et al., 2017). This fragmentation is further exacerbated by targeted funding models that channel resources toward specific demographic groups, sometimes misaligning with the broader needs of local communities and complicating programme continuity (Philpots et al., 2011; Harris & Houlihan, 2016). It echoes the findings of Mori et al. (2023), who emphasise that austerity has contributed to an increasingly fragmented and fragile community sport landscape, with organisations often competing for limited funding and struggling to maintain coherent

provision in the face of reduced public support. The authors highlight how austerity has intensified neoliberal pressures, positioning community sport workers and organisations within systems that prioritise efficiency, accountability and market-driven outcomes, often at odds with the relational and community-centred ethos of grassroots sport delivery. Understanding the organisational capacity of TSSOs becomes important in this context, particularly as existing austerity-related pressures have been further intensified by even more recent shocks such as the Covid-19 pandemic and the cost-of-living crisis (Downward et al., 2025).

Austerity has constrained financial resources, limited staffing and volunteer management capacity, reduced access to public infrastructure, and heightened the administrative burden placed on already stretched organisations (Parnell et al., 2019; Widdop et al., 2018). These pressures can impact multiple dimensions of TSSO functioning and shape their ability to maintain programmes, adapt to external pressures and ensure the long-term viability of their operations. Examining organisational capacity within this broader austerity-driven environment provides critical insight into how TSSOs negotiate resource constraints and deliver community-based sport amidst intensifying external pressures. Furthermore, this research is timely, as recent governmental research priorities have emphasised the need to better understand resource challenges and the impact of environmental shocks within the third sector (DCMS, 2026).

Conceptual Background

Organisational capacity has become a valuable concept in the study of nonprofit and voluntary organisations, offering a guide for understanding how internal and external resources are mobilised to achieve organisational missions. It broadly refers to the ability of an organisation to perform effectively, adapt to change and sustain itself over time (Eisinger, 2002; Horton et al., 2003). Several conceptual frameworks relating to capacity have been devised and these have been employed in various non-profit contexts (Baser & Morgan, 2008; Chaskin, 2001; Hall et al., 2003; Glickman & Servon, 1998; McKinsey & Company, 2001). These capacity frameworks have varied in the number of dimensions they include, ranging from three to seven. The specific capacity dimensions within these frameworks have also varied in terminology, however they all contain overlapping features including human resources, financial and/or capital, infrastructure, formalisation and external links. These dimensions are often reported as being interdependent, with strengths or weaknesses in one area influencing others.

In the sport sector, organisational capacity has been examined through specific capacity lenses such as volunteer management (Cuskelly, Hoye, & Auld, 2006), governance (Taylor, Doherty, & McGraw, 2008) and partnership development (Cousens et al., 2006). These studies provide valuable insights into discrete aspects of capacity highlighting, for example, the challenges of volunteer recruitment and retention in community sport (Cuskelly et al., 2006), the influence of governance structures on strategic decision-making (Taylor et al., 2008) and the role of interorganisational relationships in enhancing resource access and programme delivery (Cousens et al., 2006). However, while these contributions are important, they tend to focus on individual dimensions of capacity in isolation. Misener and Doherty's (2009) research bridged this gap by employing Hall et al.'s (2003) multidimensional framework to examine organisational capacity within a non-profit community sport organisation in Canada. Their findings highlighted the relative importance of human resources and planning and development capacity for goal achievement and underscored the value of a holistic approach to capacity analysis. While Misener and Doherty's (2009) single-case study provided valuable insight into the internal dynamics of one community sport organisation, its findings were context-specific and not readily generalisable across the broader third sector sport landscape. The present study addresses this limitation by drawing on data from a more diverse sample of organisations, enabling comparative analysis and offering greater insight into organisational capacity across TSSOs more broadly.

Theoretical Framework

This study draws on the dimensional framework developed by Hall et al. (2003), which was designed specifically for the nonprofit and voluntary sector. Developed in Canada, the framework was designed as part of a national initiative to understand and strengthen the voluntary sector during a period of heightened accountability and resource pressure. Based on extensive empirical engagement with nonprofit organisations, the framework's five interrelated dimensions capture the complex, practical realities of capacity within organisations heavily reliant on volunteers and operating in dynamic environments – parallels that align closely with TSSOs during a period of austerity in England.

The framework identifies five interrelated dimensions of organisational capacity: human resources, financial, relationship and network, infrastructure and process, and planning and development capacities. These are consistent with what Eisinger (2002) highlighted as the most common dimensions in capacity research.

Human resources capacity refers to an organisation's ability to deploy and manage its human capital, including paid staff, volunteers and board members. It encompasses the competencies, motivation, and behaviours of individuals within the organisation and is widely recognised as a foundational dimension that influences all other aspects of capacity (Hall et al., 2003).

Financial capacity denotes an organisation's ability to generate, manage and allocate financial resources, including revenues, expenditures and assets. It is closely linked to organisational sustainability and is frequently cited as a critical constraint, especially in environments characterised by short-term, project-based funding and limited core support (Hall et al., 2003; Eisinger, 2002). Financial capacity is also shaped by human resource factors, such as fundraising expertise and financial management skills.

Relationship and network capacity reflects the organisation's ability to build and maintain strategic relationships with stakeholders, including funders, delivery partners and community actors. Drawing on the concept of social capital (Putnam, 1995), this dimension enables access to shared resources, knowledge and legitimacy. However, relationship-building is often constrained by limited staffing and time, particularly in smaller organisations with fewer dedicated roles.

Infrastructure and process capacity encompasses the systems, tools and organisational routines that support day-to-day operations, such as databases, policies, and technological infrastructure (Hall et al., 2003). This dimension is shaped by the availability of financial and human resources and is often underdeveloped in organisations facing resource scarcity. Gaps in infrastructure can hinder strategic planning, service delivery and compliance with external reporting requirements.

Finally, planning and development capacity refers to the organisation's ability to engage in strategic thinking, programme design and organisational learning. It includes the development of formal plans, evaluation frameworks and adaptive strategies. This dimension is frequently constrained by unstable funding and limited staff capacity, which restrict the organisation's ability to invest in long-term development or commission external expertise (Hall et al., 2003; Millar & Doherty, 2016).

A key strength of this framework is its emphasis on the interconnections between capacity dimensions. For example, financial constraints may limit investment in infrastructure or staff development, while relationship capacity may facilitate access to funding or strategic partnerships. This relational understanding of capacity is particularly relevant in the third sector, where organisations often rely on informal networks and collaborative arrangements to

compensate for resource limitations. The framework also allows for the identification of capacity strengths and gaps, providing a basis for targeted support and development.

Hall et al.'s (2003) framework acknowledges that organisational capacity is not exclusively shaped by internal resources and systems, but also by external environmental conditions, including policy, funding and socio-economic contexts. While the framework identifies these factors as influential, it does not explicitly theorise how they interact with each capacity dimension in practice. This study builds on Hall et al.'s (2003) work by applying the framework within England, empirically examining how the austerity pressures noted earlier impacted capacity across TSSOs.

Hall et al.'s (2003) framework has been applied in various contexts, including community sport organisations (Misener & Doherty, 2009), human services (Fredericksen & London, 2000), and international development (Baser & Morgan, 2008). This study builds on that work by applying Hall et al.'s (2003) framework to the third sector sport context, where organisations have navigated the dual pressures of austerity and policy change. The relevance of this framework lies in its ability to capture the complexity of organisational functioning in a sector characterised by resource scarcity, heightened expectations and diverse organisational forms, which can result in 'mission drift' -- a process of organisational change, where an organisation diverges from its main purpose or mission (Coalter, 2010; Welty Peachey et al., 2018).

Moreover, the framework enables a critical examination of how external pressures shape internal capacity. In the context of prolonged austerity, financial constraints may limit investment in infrastructure or staff development, while policy shifts may require new competencies in impact measurement and strategic alignment. By examining how TSSOs mobilise and adapt their capacity across these dimensions, this study provides insight into the mechanisms of organisational resilience and innovation. The application of Hall et al.'s (2003) framework in this study is therefore both timely and appropriate. It allows for a rich analysis of organisational capacity in a sector facing significant challenges, and it contributes to a growing body of literature that seeks to understand how non-profit organisations respond to complex and changing environments.

METHOD

This study adopted a two-phase, sequential mixed methods design, underpinned by a critical realist paradigm, to explore the organisational capacity of TSSOs in England. This

approach aligns with a critical realist position, which emphasises the use of multiple methods to examine both observable patterns and the underlying mechanisms that generate them (Downward, 2023), rather than reflecting a purely pragmatic mixing of methods.

A key driver for this approach was the fragmented and poorly understood nature of the TSSO landscape. Despite the increasing reliance on third sector sport delivery, there was no comprehensive overview of the organisations operating within this space, and existing evidence points to considerable organisational diversity in terms of size, legal structure, resourcing and professionalisation. Phase One therefore sought to identify and map TSSOs operating in England, addressing this gap in sector-level understanding. This descriptive mapping exercise was essential for capturing the heterogeneity of organisations, which range from small, volunteer-run community clubs to larger, professionalised charities. Ultimately this led to the creation of an extensive database of TSSOs across England. Gaining insight into this organisational diversity was a necessary precursor to data collection in Phases One and Two. A scoping survey distributed in Phase One provided contextual insight into sector-wide capacity challenges and underpinned Phase Two of the research, which explored organisational capacity in greater depth through qualitative interviews with seven purposively selected TSSOs that had contributed to the survey.

Data Collection

Phase One: Online Scoping Survey.

The first phase of the research aimed to map the TSSO landscape and illuminate the complexity of organisations within the sector through distributing an online survey. Its primary purpose was descriptive: to provide an initial overview of the TSSO landscape, generate contextual insight into how organisations were operating under austerity and to inform the sampling and development of the interview phase.

Considerable efforts were made to create a database of TSSOs operating within England as no comprehensive list of TSSOs existed. This database was compiled using multiple sources, including national and regional funding databases, umbrella bodies and sport development networks, and sought to reflect the diversity of the sector in terms of size, structure and geographic location. Organisations working in areas of socioeconomic deprivation were prioritised, given the likely pronounced effects of austerity. This process was completed over two months and resulted in the identification of 1,573 TSSOs operating within disadvantaged communities in England.

The survey instrument was developed based on the five dimensions of capacity outlined by Hall et al. (2003), with items adapted from previous studies of non-profit organisational capacity (e.g., Misener & Doherty, 2009; Eisinger, 2002) and tailored to the sport context. It included both closed and open-ended questions, enabling respondents to provide quantitative ratings and qualitative reflections on their organisation's strengths, challenges and strategic priorities. Questions addressed issues such as staff and volunteer roles, funding sources and stability, partnership development, operational systems and strategic planning activities. Respondents were also asked to reflect on how external factors (e.g., policy change; funding differences) had affected their organisation's capacity to deliver sport for social outcomes.

Items aligned with each of Hall et al.'s (2003) capacity dimensions. For example, human resources capacity items examined staffing structures, volunteer roles, and skill gaps; financial capacity items focused on revenue and expenditure sources and the impact of funding reductions; relationship and network capacity items addressed types of partnerships and engagement with partners; infrastructure capacity items explored operational systems and administrative processes; while planning and development items assessed the presence of strategic planning or evaluation activities.

The survey included both closed and open-ended questions, enabling respondents to provide quantitative ratings and qualitative reflections on organisational strengths and challenges. Respondents were also asked to reflect on how external factors – particularly funding reductions and resource constraints associated with austerity – had affected their organisation's ability to deliver programmes. The survey was piloted with three TSSOs, and minor revisions were made in response to their feedback.

The final disseminated survey contained 38 items and took approximately 20 minutes for respondents to complete. It was distributed to all organisations in the database (n=1573), and it was completed by 114 organisations, which comprises a response rate of 7.25%. The survey provided sector-wide insights, offering a contextual overview of organisational forms, alongside broad organisational capacity strengths and challenges. Gaining this insight was essential to inform the selection of organisations for Phase Two qualitative enquiry.

Phase Two: Qualitative Enquiry.

In Phase Two seven case study organisations were purposively selected to explore the organisations' experiences of navigating austerity and changes in policy with a focus on understanding the implications for organisational capacity. The purposive sampling reflected

variation in organisational structure, size, location, funding history and programme focus. Semi-structured interviews were conducted with staff from the seven case study organisations detailed in Table 1.

The interview guide was developed to explore each of the five capacity dimensions (Hall et al., 2003) in depth, with many prompts tailored to the organisation’s survey responses. Participants were asked to describe the strengths and limitations of their organisation’s capacity, how they had responded to external pressures, and what strategies they had employed to sustain or build capacity over time. The interviews also explored interdependencies between capacity dimensions, such as how financial constraints affected staffing or how partnerships supported strategic planning.

In total, 16 staff members from across the seven organisations participated in the qualitative interviews, representing diverse roles including Senior Management, Programme/Delivery staff, Administration staff across Finance and Evaluation, and volunteers. The organisations and the interviewees were anonymised to protect confidentiality. Informed consent was obtained prior to data collection. The interviews ranged between 60 and 90 minutes and were conducted in person or via telephone, depending on participant preference. All interviews were audio-recorded with consent and transcribed verbatim for analysis.

Table 1.

Participant organisational characteristics

Organisation Structure	Interviewee Roles	Turnover of Organisation	Number of employees	Number of volunteers
Sport for Development charity A	Chief Executive Officer Finance Director	£101,000– £500,000	51-100	None
Sport for Development charity B	Chief Executive Officer Fundraising & Communications Manager Head of Finance Head of Impact & Research	> £1 million	51-100	1-50

Community Interest Company	Managing Director Director of Social Change Development Officer	£101,000– £500,000	11-50	1-50
Active Partnership	Senior Partnership Manager Community Projects Manager Marketing Manager Insight & Communications Officer	> £1 million	11-50	1-50
National Governing Body (Olympic Sport)	Chief Executive Officer	> £5 million	11-50	1,001+
Community Sport Club A (Hockey club)	Vice-President	£51,000– £100,000	1-10	1–50
Community Sport Club B (Rugby club)	Vice-President	£51,000– £100,000	1-10	1-50

Data Analysis

Data analysis followed a two-stage process, integrating quantitative survey data with qualitative interview findings.

Online survey.

The quantitative survey data were analysed using descriptive statistics to provide an overview of organisational characteristics and overall organisational capacity mapping across TSSOs in England. These findings established an empirical foundation for understanding patterns within the sector. Open-ended survey responses were analysed thematically to identify recurring issues and contextual factors shaping organisational capacity. These insights were used to guide the selection of case study organisations and to inform the development of the semi-structured interview guide for the subsequent in-depth analysis.

Semi-structured interviews.

Interview data was analysed using Braun and Clarke's (2006) thematic analysis, which provided a flexible yet rigorous approach to identifying patterns of meaning across the dataset. This method was particularly appropriate given the study's critical realist orientation, as it enables analysis at both the level of participants' accounts (semantic themes) and the identification of underlying structures and generative mechanisms shaping those accounts (latent themes). This is consistent with a critical realist approach, which seeks to move beyond description to explain how observable experiences are produced within broader structural and contextual conditions (Downward, 2023). The analysis followed Braun and Clarke's (2006) six-phase process, beginning with familiarisation through transcription and iterative reading, followed by the generation of initial codes. These codes were then organised into themes that aligned with Hall et al.'s (2003) framework of organisational capacity, which served as a set of a priori categories. However, the approach also allowed for inductive coding, enabling the identification of cross-cutting and emergent themes that extended beyond the original framework. Analytic memos were employed throughout to trace the development of themes and support reflexivity. The analysis was also conducted manually, without the use of qualitative software, to allow for deeper immersion in the dataset.

To enhance rigour, several strategies were employed, consistent with a critical realist approach that emphasises transparency, reflexivity and methodological coherence (Downward, 2023). Member checking was conducted by sharing summary findings with interview participants for feedback and clarification, supporting the credibility and accuracy of the interpretations (Lincoln & Guba, 1989; Harrison et al., 2001; Veal & Darcy, 2004). Reflexivity was maintained through regular research team discussions and the ongoing documentation of analytic decisions, enabling critical reflection on the researchers' role in the interpretation of the data and supporting confirmability. An audit trail was also developed throughout the research process, capturing key decisions during data collection, coding and theme development, thereby enhancing the transparency and dependability of the analysis. In addition, the integration of survey and interview data enabled methodological triangulation, allowing for the comparison and corroboration of findings across different data sources (Veal & Darcy, 2014).

FINDINGS AND DISCUSSION

This section presents the empirical findings of the study, structured around Hall et al.'s (2003) multidimensional framework of organisational capacity. Drawing on both survey and interview data, the findings are organised across five core dimensions: financial capacity, human resources capacity, relationship and network capacity, infrastructure and process capacity, and planning and development capacity which aligns with the framework

Financial Capacity

While Hall et al. (2003), identify human resources capacity as central to all other capacities perhaps unsurprisingly, in the context of prolonged and progressive austerity, this research identified financial capacity as the most significant constraint, ultimately impacting all of the other dimensions of organisational capacity. This aligns with research demonstrating that financial conditions and resource constraints are critical determinants of organisational functioning and sustainability in sport organisations (Wicker & Breuer, 2011; 2013). Survey data confirmed the prevalence of financial precarity with 38.5% of respondents identifying financial capacity as their most significant organisational challenge. Approximately one third (34%) of respondents stated that more than 60% of their income came from short-term grants which were often tied to specific outcomes and reporting requirements imposed by the funder. Only 22% of organisations indicated that they had access to unrestricted funding – financial resources that are not tied to specific projects or deliverables, allowing organisations to allocate funds according to their priorities and operational needs. Furthermore, only 18% of respondents reported having financial reserves sufficient to cover more than three months of operating costs. These figures underscore the financial vulnerability of many TSSOs and the limitations this places on long-term planning and sustainability.

Loss of Core Funding.

The withdrawal of traditional and reliable revenue streams arising through prolonged austerity measures – particularly from local authorities – was consistently cited as a critical issue for TSSOs, as previously small but stable grants had enabled them to maintain delivery consistently before these were withdrawn. Interviewees explained, “we used to get a small grant from the council, nothing huge, but it kept us going. That’s gone now – they closed off the opportunity.” (Fundraising and Communications Manager, Sport for Development Charity B)

and “we have noticed fewer opportunities to apply for localised funding and now having to become more creative.” (Managing Director, CIC)

Concerns were also expressed that despite the limited funding more was expected by funders who had unrealistic expectations about what was achievable with the financial resources they had allocated:

We’ve got this hierarchical structure of commissioners at the moment who sit there and tell us what targets to hit but actually they themselves have no clue how to hit them... I want them to start listening. I’m a socialist by heart but because they’ve dismantled local authorities it seems like we still have these people holding on to their jobs when they are old school thinkers (Managing Director, CIC)

Administrative Burden and Short-Term Funding.

Several organisations expressed a clear preference for more flexible and less restricted funding, often referred to as ‘better money’ (Hall et al., 2003), which would allow them to allocate resources according to organisational priorities rather than externally imposed funder mandates. The lack of access to this unrestricted funding was identified as a key constraint. Organisations reported that such funding would enable more strategic planning, reduce administrative burden, and support long-term sustainability, particularly in contrast to short-term project grants that often undermine continuity and impact. These findings mirror those of Misener and Doherty’s (2009) study.

The administrative burden associated with short-term funding was also highlighted. Organisations described spending disproportionate amounts of time on applications and reporting, often at the expense of programme delivery. One interviewee noted, “we’re writing bids, chasing outcomes, filling in forms — and all of that is time we’re not spending with the communities we work with.” (Head of Knowledge and Insight, Active Partnership).

This finding is in line with other studies (Eisinger, 2002; Lee & Clerkin, 2017) which have highlighted that nonprofit organisations are increasingly evaluated through procedural compliance and reporting obligations, rather than through their capacity to fulfil mission-driven objectives.

The shift in policy discourse towards sport as a tool for achieving broader social outcomes – such as health, inclusion and employability – has introduced new pressures for TSSOs who are reliant on these sources funding because of their limited ability to generate income directly from the disadvantaged communities they serve. While some organisations

welcomed the opportunity to demonstrate impact, others struggled to align their work with funder priorities. This tension between policy ambition and organisational reality has been widely documented in the sport for development literature (Coalter, 2010; Harris & Houlihan, 2014; Milbourne & Cushman, 2013; Rees, 2014) and was emphasised by an interviewee:

We've actually said to them before that they can have their money back because we are not going to go down that route. We aren't going to solve their problems with a quick fix that we don't believe in. All they are interested in is ticking their outcomes boxes and we are actually interested in making a change to our core focus. (Director of Social Change, CIC)

This quote underscores the ethical and operational dilemmas faced by TSSOs when navigating externally imposed funding conditions that conflict with their central mission.

Lack of Strategic Financial Planning.

A lack of ability to undertake long-term financial planning was evident across the TSSOs. Few organisations had financial reserves or formal strategies in place, with many operating on a month-to-month basis. One interviewee shared: "we don't really have a financial strategy — we just try to make sure we can pay the bills each month." (Vice-President, Community Sport Club B)

This finding aligns with Allison's (2001) observation that sport clubs are often underdeveloped in terms of financial infrastructure, lacking the capacity for growth or resilience. Interviewees also described the fluid and reactive nature of their financial planning due to the dynamic and unpredictable context they operate within: "we must change as things change around us. We don't have fixed plans. Our business plan is practically out of date as soon as we write it! It's like a rolling commentary for us." (Chief Executive Officer, Sport for Development Charity A)

These reflections suggest that while strategic intent may be present, the capacity to implement and sustain long-term financial planning is often constrained by external volatility and internal resource limitations.

Despite these challenges, some organisations had developed strategies to enhance financial capacity. These included diversifying income streams through social enterprise models, building relationships with corporate sponsors, and developing community fundraising campaigns. However, such strategies were more common among larger, professionalised

organisations with sufficient human capacity to dedicate to these activities. Smaller organisations, particularly those operating in disadvantaged areas, faced significant barriers to financial sustainability as they lacked both financial and human resources capacity.

Overall, financial capacity emerged as a pervasive constraint shaping organisational sustainability and strategic development among TSSOs. Consistent with Hall et al.'s (2003) assertion that financial issues often pose the greatest challenge for nonprofit organisations because of their ripple effects across other capacity domains, financial precarity in this study extended well beyond resource scarcity alone. In the context of TSSOs, restricted and short-term funding undermined human resources capacity, limited investment in infrastructure and curtailed longer-term planning, reinforcing the foundational and interdependent role of financial capacity within organisational functioning.

Human Resources Capacity

Human resources capacity was consistently identified as both a strength and a constraint across the TSSOs in this study. Strengths included the commitment and shared values of volunteers, particularly in relation to their social mission and community engagement where a values-driven ethos was seen as a critical asset. This was particularly relevant in organisations attempting to sustain delivery despite limited formal support. Constraints on human capacity included volunteer reliance and an absence of formal volunteer management strategies, role overload and succession risks. Key sub-themes identified are detailed below.

Volunteers.

TSSOs have a longstanding reliance on volunteers, who contribute significantly to organisational functioning by enhancing human resources capacity. Survey data indicated that this continues to be a defining feature of the sector, with 72% of respondents reporting that volunteers played a central role in the delivery of core services, including both operational and strategic functions. This centrality of volunteers was reinforced by the interview data, with one organisation noting: "our volunteers are absolutely central to what we do. They give their time because they believe in the club and the community – without that commitment, we couldn't operate at all." (Vice-President, Community Sports Club B).

Interviewees from the case study organisations described their volunteers as committed and value-driven, often motivated by a strong sense of social purpose and community engagement. This ethos was particularly evident in organisations working in

disadvantaged areas, where volunteers were seen as central to sustaining delivery amidst financial constraints, specifically during a period of austerity.

However, the interview findings also revealed significant challenges in mobilising and managing volunteer capacity particularly in terms of matching volunteer skills to the requirements of the organisations. In line with previous research (Allison, 2001; Cuskelly, Hoyer & Auld, 2006; Doherty, 2005; Sharpe, 2006), this study confirmed the need for more volunteers as a critical capacity issue. Specific challenges included recruiting volunteers with appropriate skills, particularly in areas such as safeguarding, finance, monitoring and evaluation, and succession planning. Less than a third of the organisations that completed the survey (28%) reported having formal volunteer management strategies in place, suggesting a gap in infrastructure that limits the strategic development of volunteer capacity.

Furthermore, while the significant role volunteers can play in the third sector was not refuted, it was clear that staffing challenges linked to progressive austerity had shifted the human resources strategy of some organisations. Interviewees frequently described the burden placed on paid staff to recruit, train and manage volunteers, often without adequate support:

We have deliberately moved away from a big volunteer work force. We felt like we needed to have more paid staff to manage them and this is the same with roles like internships and the like. I think it is easier to rely less on volunteers for smaller organisations like ourselves when we are already struggling with our resources.
(Director of Social Change, CIC)

When it comes to somebody new coming in it's a whole big project trying to train them and delegate you know. Sometimes it's easier to just do it yourself as paid staff in the organisation. (Vice-President, Community Sports Club A)

Some people will put their hand up and offer to do everything and anything but actually they are just rubbish at the job and only do it because they want to volunteer! Managing these volunteers is more difficult than herding cats and we don't have the time and resource! (Vice-President, Community Sports Club B)

As a result of the strain placed on overstretched staff, and the limitations of relying on volunteers for core organisational functions, some organisations expressed deliberately

moving away from volunteer reliance, citing concerns about reliability, continuity, and the capacity to meet funder expectations. As one interviewee explained: “bringing in volunteers just isn't right for our organisation. We don't want to be reliant on them for many roles as we value long-term and daily commitment which they cannot always offer. Managing them would be an absolute nightmare” (Head of Fundraising, Sport for Development Charity A).

Role overload and burnout.

A further constraint on human resources capacity was role overload, particularly within smaller TSSOs operating with limited staffing. Under conditions of restricted resources, staff were frequently required to absorb responsibilities beyond their original remit, resulting in the accumulation of strategic, operational and administrative duties within a small workforce. This intensification of roles increased vulnerability to staff fatigue and burnout, especially in contexts characterised by ongoing financial uncertainty. While this has been highlighted in previous research (Doherty, 2005; Gumulka et al., 2005; Misener & Doherty, 2009; Taylor, 2004; Wegner, Bopp & Kerwin, 2023), interviewees in this study expressed concerns about organisational vulnerabilities due to reliance on key personnel: “if our Chair left tomorrow, I honestly don't know who would step up. We're all just too stretched” (Vice-President, Community Sports Club A).

The burden of managing multiple functions was compounded by increasing administrative demands. Organisations reported expectations around complex reporting requirements, management of safeguarding protocols and demonstrable impact – often without access to specialist expertise or dedicated support staff. One interviewee explained: “we're now being asked (by funders) to operate like a professional organisation in so many functions that are new to us, with so much additional work. It's just not sustainable” (Chief Executive Officer, Sport for Development Charity B).

This illustrates the mismatch between funder expectations and organisational burden, particularly in relation to governance and compliance. This tension also reflects wider concerns in third sector literature about the managerialisation of non-profit organisations under austerity (Milbourne & Cushman, 2013; Eisinger, 2002). The expectation that TSSOs should operate with the professionalism of statutory bodies, despite lacking the requisite resources, places considerable strain on staff and leadership. In several cases, strategic planning was deprioritised due to the immediacy of operational demands, with one interviewee describing their organisation as “firefighting constantly” (Managing Director, CIC) and lacking the time to plan ahead for staffing long-term.

Mismatch between funder and TSSO priorities.

While financial and human resource capacity have been discussed separately, a distinct feature of the findings is their interaction, particularly in relation to externally imposed funding and reporting expectations. Within the context of austerity, funders placed increasing emphasis on TSSOs demonstrating measurable impact, often in ways that reflected funder priorities rather than organisational or community-led agendas. This shift introduced new capacity challenges for TSSOs, many of which recruit staff primarily to support local communities rather than to fulfil specialist compliance or reporting functions. As a result, skill gaps emerged across a range of specialist competencies, including governance, safeguarding, financial management and impact measurement, spanning both paid and unpaid roles. These gaps were most pronounced in smaller organisations, where limited access to professional development opportunities or external expertise meant that staff and volunteers were required to take on multiple functions simultaneously, exacerbating existing pressures on human resources capacity. As one interviewee noted: “we need someone who understands safeguarding and reporting, but we just don’t have that expertise” (Managing Director, CIC). This highlights the difficulty of sourcing personnel with the technical skills required to meet funder expectations. The increased complexities of funding applications and reporting requirements, particularly those linked to outcome-based frameworks, has further exacerbated these challenges especially where external funders required detailed monitoring and evaluation data. As one interviewee explained: “we’re being asked to prove things that are really hard to measure, like community cohesion, and we don’t have the expertise or time to do it properly” (Managing Director, CIC).

While some organisations had started to address skill gaps through informal mentoring or external consultancy support, these efforts were often reactive and contingent on short-term funding. The absence of sustained investment in workforce development was seen as a barrier to strategic growth for the TSSOs in this study. Despite the constraints outlined above, several organisations demonstrated notable strengths in their approach to human resources. A values-driven ethos was consistently cited as a source of cohesion and motivation, particularly in organisations embedded within disadvantaged communities. Shared commitments to inclusion, youth development, and social impact were seen to foster a strong sense of purpose among staff and volunteers alike. In addition, some organisations had looked to implement adaptive strategies to mitigate capacity challenges, including informal mentoring, role-sharing arrangements and targeted engagement of younger staff. While these initiatives

were often fragile and contingent on leadership, they reflect a degree of organisational resilience and innovation that may offer a foundation for future capacity building.

In summary, human resources capacity was characterised by a tension between strong commitment and increasing strain. While volunteers and staff were central to sustaining organisational delivery, role overload, skill gaps and burnout risks were evident, particularly in smaller organisations. These pressures were closely intertwined with financial precarity and expanding external demands, highlighting the interdependence of human resources capacity with other capacity dimensions (Hall et al., 2003).

Relationship and Network Capacity

Relationship and network capacity emerged as a key enabler of organisational resilience across the TSSOs in this study. Organisations consistently emphasised the importance of collaborative relationships in navigating financial precarity, accessing expertise and enhancing programme delivery. This dimension was particularly salient in the context of austerity, where formal support structures had been eroded and informal networks had become increasingly vital.

Survey data supported the centrality of relationship capacity. 61% of respondents reported that partnerships were essential to their organisation's ability to deliver programmes, and 48% indicated that they had developed new relationships in response to funding cuts. However, only 31% reported having a formal partnership strategy, suggesting that while relationships are valued, they are often informal and opportunistic. Smaller organisations were more likely to rely on personal connections and local goodwill, while larger organisations tended to engage in more structured collaborations.

Interviewees described a range of external relationships, including partnerships with schools, local authorities, funders, corporate sponsors and other community organisations. These relationships were often framed as reciprocal and values-driven, with organisations leveraging trust and shared goals to access resources and support. One interviewee explained: "we don't have much money, but we have strong relationships. People want to work with us because they see the impact" (Director of Social Change, CIC). This aligns with Putnam's (1995) conceptualisation of social capital as a resource embedded in networks of trust and reciprocity.

Collaborating to Address Capacity Shortfalls.

Relationship and network capacity was widely viewed by TSSOs as a critical dimension of organisational functioning. It enabled organisations to partially compensate for resource shortfalls and respond to external pressures. In the context of austerity and policy reform, relational capital emerged as a key source of resilience, particularly for organisations with limited financial and infrastructural capacity.

Collaboration was frequently described as a strategic mechanism for accessing funding, sharing delivery responsibilities and enhancing programme reach. Several organisations reported working jointly on funding bids, recognising that partnership applications were often more competitive. As one interviewee explained: “we partner with other organisations sometimes and work on bids together as two organisations instead of one applying makes a stronger case, and we’d be happy to split the funding instead of getting nothing” (CEO, Sport for Development Charity A).

Others described how relationships with networks provided access to financial support that would otherwise be unavailable. For example: “there is a lot of power from within our network to generate the funds we need year on year” (Head of Finance, Sport for Development Charity B). These findings suggest that collaboration was not only a reactive strategy to external pressures but also a proactive approach to building organisational capacity.

Taken together, these insights highlight the strategic role of relationship and network capacity in enabling TSSOs to navigate resource constraints, align with policy expectations and sustain delivery. Collaboration was not just a desirable feature to these organisations, it also emerged as a condition of survival for some.

Challenges in Maintaining Partnerships.

Despite the strategic value of collaboration, maintaining partnerships was not without challenges. Organisations reported that relationship-building required time, communication and relational skills; resources that were often in short supply. One interviewee reflected: “we know partnerships are important, but we’re stretched. It’s hard to keep those conversations going” (Chief Executive Officer, Sport for Development Charity A). This was particularly true for volunteer-led organisations, where relationship management was often concentrated in one or two individuals.

Survey data revealed that only 31% of organisations had a formal partnership strategy, suggesting that while relationships were valued, they were often informal and opportunistic. The lack of strategic planning around partnerships limited their potential, with some organisations missing opportunities to formalise and sustain beneficial relationships. Smaller

organisations were more likely to rely on personal connections and local goodwill, while larger organisations tended to engage in more structured collaborations.

In some cases, the absence of dedicated staff or systems to manage partnerships led to missed opportunities or strained relationships. The findings suggest that while relationship and network capacity is widely recognised as critical, its mobilisation is contingent on broader organisational capacity – including staffing, infrastructure, and strategic planning. These findings reinforce Hall et al.'s (2003) emphasis on the relational nature of organisational capacity and suggest that relationship and network capacity is not only a resource but a mechanism through which other capacities - particularly financial and planning - can be mobilised. In the context of third sector sport, where formal resources are constrained, relational capital plays a central role in enabling organisations to survive, adapt, and deliver impact

Relationship and network capacity functioned as both a critical asset and a compensatory mechanism for wider capacity shortfalls. Collaboration enabled TSSOs to access resources, expertise and funding opportunities that would otherwise be unattainable, particularly under conditions of austerity. However, the effectiveness and sustainability of these relationships were contingent upon adequate staffing, planning and infrastructure, underscoring the relational nature of organisational capacity.

Infrastructure and Process Capacity

Infrastructure and process capacity varied considerably across the TSSOs in this study. While some organisations had developed robust internal systems, others operated with minimal formal infrastructure, often relying on informal practices and personal initiative. This variation reflects the diversity of the sector, encompassing a range of organisational sizes and governance structures, and the uneven impact of austerity on organisational development. The findings highlight several key issues within infrastructure and process capacity, particularly the reliance on informal systems, limited investment in administrative and technological resources, and constraints associated with access to appropriate facilities.

Informal Systems and Operational Risk.

Several organisations described strengths in communication and informal coordination. Email, messaging applications and face-to-face interactions were commonly used to manage operations, and this was seen as largely positive by interviewees. However, while such

practices fostered responsiveness and flexibility, they also created risks around continuity, accountability, and compliance.

Survey data highlighted the prevalence of informal infrastructure. Only 35% of organisations reported having formalised operational procedures, such as documented policies or job descriptions. Just 29% had digital systems in place for registration, monitoring or reporting and fewer than one in five (18%) had access to dedicated administrative support. One interviewee stated: “we don’t have anything written down – it’s all in people’s heads” (Vice-President, Community Sports Club B). These findings suggest that many TSSOs operate with limited organisational infrastructure, which may constrain their ability to meet funder and regulatory expectations.

Misener and Doherty (2009) similarly observed that the board meetings of the organisation within their case study were heavily focused on day-to-day operations, with little time for strategic direction. This operational focus, while necessary in the short term, was seen to limit broader planning and development.

Underinvestment in Administrative and Technological Infrastructure.

The impact of progressive austerity was evident in the limited investment in infrastructure. Organisations reported that funding was rarely available for administrative systems or technology upgrades, with resources prioritised for frontline delivery. One interviewee explained: “Funders want outcomes and they don’t want to pay for admin. But without admin, we can’t run properly” (Chief Executive Officer, Sport for Development Charity B). This reflects broader critiques of funding regimes that undervalue organisational infrastructure (Scott, 2003; Milbourne & Cushman, 2013).

The lack of formalised procedures was a recurring theme. Many organisations lacked safeguarding policies, data protection protocols, or financial management systems as they lacked the human and financial resources to deliver these. In some cases, formalisation occurred only in response to external pressures. As one interviewee noted: “we had to write a safeguarding policy because the funder asked for it really” (Chief Executive Officer, Sport for Development Charity A).

Facility Access and Physical Infrastructure Constraints.

Access to facilities was also a significant issue. Several organisations operated in shared or temporary spaces, with limited control over scheduling or storage. The lack of permanent space was seen as undermining organisational identity and stability, consistent with Allison’s

(2001) finding that facility access is central to club cohesion and growth. In the research conducted by Misener and Doherty (2009), facility access was the single greatest issue in ensuring both sustainability and growth, and that even small features such as storage or signage can significantly impact a club's sense of permanence and legitimacy.

In sum, infrastructure and process capacity was often underdeveloped, yet increasingly critical in meeting funder and regulatory expectations. These findings point to the structural marginalisation of infrastructure within funding models, where administrative systems and organisational development are often deprioritised in favour of direct programme delivery. As a result, TSSOs operate with underdeveloped systems while facing increasing expectations for accountability, monitoring and compliance. This creates a tension between delivery and longer-term sustainability. This aligns with wider third sector research (Macmillan, 2016) highlighting the importance of infrastructure in supporting organisational resilience under constrained funding. Without adequate infrastructure, TSSOs struggle to deliver programmes, manage risk and respond strategically.

Planning and Development Capacity

Planning and development capacity was underdeveloped across many of the TSSOs in this study. While some organisations recognised the importance of planning, their efforts were often reactive, short-term and shaped by external pressures rather than internal strategy. This dimension was particularly constrained by funding volatility and policy complexity, which limited the scope for long-term organisational development.

Short-term, reactive planning.

Across the sample, planning was described as largely reactive, driven by funding cycles, staff changes or external pressures. Survey data revealed that only 26% of organisations had a formal strategic plan in place, and just 18% reported engaging in long-term planning activities. In contrast, 42% indicated that their planning was primarily reactive, driven by immediate operational needs or funder requirements. This reactive orientation was particularly evident in smaller organisations, where planning was often informal and undocumented, and echoed findings from previous studies on strategic planning in smaller non-profit organisations (McKinsey & Company, 2001; Gumulka et al., 2005). Few organisations had formal strategic plans, and those that did often struggled to implement them. Interviewees reflected: "we have a plan, but it's more of a wish list than something we actually use" (Vice-President, Community

Sports Club B), and “we’re so busy keeping things going, we never get to step back and think about the future” (Vice-President, Community Sports Club A).

This aligns with Sharpe’s (2006) observation that planning in community sport is often informal and short-term, shaped more by immediate operational needs than long-term vision. These findings also mirror those from Misener and Doherty (2009), where Board Members acknowledged the absence of a strategic plan and described planning as informal and short-term. Despite recognising the importance of planning, many organisations lacked the time, expertise, or resources to engage in strategic development. Planning was often limited to operational concerns.

Austerity was a key factor in limiting planning capacity. With reduced funding and increased delivery demands, organisations highlighted having little time or space for reflection and development. This reflects Wing’s (2004) argument that capacity-building initiatives must account for the time and resources required for strategic development, particularly in under-resourced settings.

Misalignment with Policy.

While 39% of survey respondents reported that they had adapted their programmes to align with national sport policy, only 21% felt that their strategic priorities were genuinely reflected in those policies. This suggests a disconnect between grassroots organisational goals and top-down policy frameworks.

Several organisations described struggling to reconcile their community-focused missions with the strategic goals embedded in national sport policy. Interviewees reflected: “we’re being asked to deliver on things like employability and mental health, but that’s not what we were set up to do” (Head of Knowledge and Insight, Active Partnership), and “we’re supposed to show how our work fits with national outcomes, but we don’t have the capacity to think that far ahead” (Chief Executive Officer, Sport for Development Charity A).

This highlights the tension between policy ambition and organisational reality, a theme widely documented in the sport for development literature. The findings suggest that planning and development capacity is not simply a matter of organisational will but is deeply influenced by structural factors including funding models, policy discourse and human resource constraints. Without stable support and strategic clarity, many TSSOs are unable to plan proactively or align meaningfully with policy agendas.

Despite the constraints these organisations faced, some had invested in planning and development, often with external support. This included engaging consultants, attending

targeted training, or involving board members more directly in strategic discussions. While these efforts were viewed as valuable, they were also fragile, as they depended on the availability of financial resources, leadership capacity and governance expertise. This illustrates the overlap between planning and development capacity and other capacity dimensions, demonstrating that progress in one area was contingent on strengths in others.

Overall, planning and development capacity was widely recognised as critical to organisational effectiveness but remained underdeveloped across many TSSOs. In line with Hall et al.'s (2003) conceptualisation of planning and development capacity as dependent on stable resources and reflective organisational space, this study found that short-term funding cycles, limited staffing and competing operational demands constrained organisations' ability to plan strategically. As a result, planning was frequently reactive rather than proactive, shaped by immediate survival needs rather than longer-term development priorities, underscoring the cumulative effects of interrelated deficits across financial, human and infrastructural capacity domains.

CONCLUSION

Using the multidimensional framework developed by Hall et al (2003) this study examined the organisational capacity of TSSOs in England, focusing on how they negotiate organisational capacity challenges in a dynamic and resource constrained context. The findings reveal the precarity of the sector during a period of austerity and the complex, interconnected nature of organisational capacity. Financial capacity emerged as the most pressing concern, reflecting ongoing challenges in securing stable funding and meeting increasingly bureaucratic demands. Infrastructure and process capacity, though less visible, played a critical role in enabling or inhibiting organisational functioning, particularly in relation to compliance and continuity. While human resources and relationship capacity were often cited as strengths, they were also constrained by limited financial resources, underdeveloped infrastructure and a lack of strategic planning. Planning and development capacity was widely recognised as essential but remained underdeveloped, with organisations lacking the time, tools and support to engage in long-term strategy.

Across all dimensions, the effects of austerity were evident, not only in the withdrawal of core funding and public infrastructure but in the shifting expectations placed on TSSOs to deliver complex social outcomes with reduced support. The findings suggest that organisational capacity cannot be understood in isolation from the external environment;

rather, it is shaped by the interaction between internal organisational dynamics and broader structural conditions.

Theoretical Implications

This study contributes to the organisational capacity literature by extending Hall et al.'s (2003) framework through a contextually grounded analysis of TSSOs operating under prolonged austerity. While Hall et al. (2003) acknowledge the influence of external conditions, the findings here demonstrate more explicitly how austerity actively shaped capacity across all dimensions.

The study also reinforces the interdependent nature of organisational capacity, showing how financial constraints cascade across human resources, infrastructure and planning capacities. In doing so, it supports a more relational and dynamic understanding of capacity, where strengths or deficits in one domain influence others.

Furthermore, the findings highlight the importance of situating organisational capacity within its socio-economic and policy context. Rather than being a static or internally bounded construct, capacity is shown to be contingent, negotiated and shaped by wider structural forces. This contributes to ongoing debates calling for more critical and context-sensitive approaches to capacity building in the third sector.

Practical Implications

The findings have several implications for policy and practice. First, they underscore the need for funding approaches that support core organisational capacity rather than prioritising programme delivery alone. Investment in infrastructure, workforce development and strategic planning is essential if TSSOs are to sustain delivery and achieve meaningful long-term impact under conditions of prolonged austerity.

Second, the findings highlight the importance of recognising organisational diversity across the sector. Uniform expectations around governance, reporting and formalisation risk marginalising smaller, volunteer-led organisations that lack the capacity to meet these demands but nonetheless play a vital role in community sport provision. A more differentiated approach that accounts for organisational scale, mission and context would better reflect the heterogeneous realities of TSSOs.

Third, the study reinforces the importance of relational capacity as a strategic resource. In the face of financial and infrastructural constraints, many organisations relied heavily on

partnerships and informal networks to sustain operations. Supporting organisations to build and maintain these relationships may enhance resilience across the sector. Finally, the findings point to the limitations of short-term and highly restricted funding models. Organisations consistently expressed a preference for more flexible and unrestricted funding, which would allow resources to be allocated according to organisational priorities and evolving needs.

Limitations and Future Research

Several limitations of this research should be acknowledged. The qualitative phase involved a small number of organisations, which limits the generalisability of the findings (Veal & Darcy, 2014). Although the sample was purposively selected to reflect diversity in organisational size, structure and geographical location, it cannot capture the full heterogeneity of the sector. In addition, reliance on self-reported data introduces the possibility of response bias, particularly in relation to more sensitive issues such as financial vulnerability, staffing pressures or governance practices.

Future research could extend this work through longitudinal designs to examine how organisational capacity evolves over time under sustained financial constraint. Further research is also needed to explore how TSSOs build and mobilise capacity through partnerships and collaborative arrangements, including the potential risks and power dynamics associated with reliance on external partners. Such work would enhance understanding of organisational capacity in dynamic policy environments and support the development of more context-sensitive approaches to strengthening the third sector sport landscape.

Contributions

Contributed to conception and design: TG, CM, PD

Contributed to acquisition of data: TG

Contributed to analysis and interpretation of data: TG, CM

Drafted and/or revised the article: TG, CM, PD

Approved the submitted version for publication: TG, CM, PD

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