
National Association for Stock Car Auto Racing: Decision Making Report

Introduction

Decision making in companies can be a synonym of management, every manager makes hundreds of decision everyday that range from simplest things to critical and life altering decisions for the organization he manages, making these decisions gets more complicated the more important they are or to what level they are related to, whether it is in HR or in operations or something that affects every department like expanding or merging.

In this study we will shed a light on NASCAR corporation and how the management dealt with some big decisions in front of it.

Background

NASCAR or the National Association for Stock Car Auto Racing is an American car racing organizing company that is famous for stock cars races, it has many series of both national and regional racing series, it organizes more than 1500 race on over a hundred racing track in the USA, Canada, Mexico and even Europe and Japan and Australia.

Although it's one of the fastest growing sports companies in the US, and has millions of fans and making billions from TV deals but the company is preparing for expanding and to target other demographics and market as it is nearing the point of saturation of its current setting and has started to show some recent decline in attendants and sponsors and face with challenging circumstances.

in this case study we will be examining the administration decision-making related to the expansions and the renewal (if we can describe it like that) of the company to reach wider audience and adapt to change happening around.

Case Analysis

Decision making by definition is the action of deciding about something big mainly for companies and bigger groups.

Decision making is the one of the most important parts of management nowadays if not the most important part, sound choices are the main feature of good management, these decisions play the biggest roles in getting to the corporation aims and goals and moving forward.

NASCAR has achieved stunning TV deals at the start of the century when they made a deal with NBC, TNT and FOX to broadcast the races and other activities the company produces and organizes, the deal was about two and half billion dollars from 2004 till 2006 but that wasn't the end, from 2007 to 2014, ABC, ESPN, TNT, Fox and the speed channel paid almost four billion and half for broadcasting rights, all of these deals prove the efficient marketing tactics taken by

the management to close them and the fruition of a series of other decisions that touched many sides of the company regulations and dealings aimed to grow it further, some of these decisions changed some of the old regulations that dictated the races, to achieve better safety standards for drivers and fans alike, and reduce the accidents without affecting the action and danger that attracts many of the fans some of these regulations like:

- The requirement of neck and head restraints for all the drivers.
- Crew members have to wear helmets in pit stops and during the race as well.
- All drivers and crew members are must wear special suits that are resistant to fire and flames.
- Special speed regulations and limiting equipment must be installed for particular high speed tracks and races.
- Harder and more tighter regulations for the technical specifications of the cars must be followed after the death of Dale Earnhardt for increased safety.
- And the must use of SAFER barriers around the track to better protect drivers in case of impacts.
- Increasing of the frequency of tests for cars and tires and cars safety equipment before all kinds of races and number of random tests.

There were also other regulations improvements related to how points were awarded and to penalties to increase the competitiveness of the races and to reward better driving skills and penalize drivers who drive (dirty), and giving more points to spectacular wins or close wins and caring for the situation on the track more by increasing the use of flags during races which also increased the entertainment of the races as all those changed increased the number of lead changes in races substantially

Upgrades and changes didn't happen on the tracks and pit stops only but extended to new racing events like Chase for the Sprint Cup that worked very well to close the deal for broadcasting for 4.5 billion dollars.

Something else was very new which is the inclusion of foreign car maker Toyota vehicles to compete which hasn't been since decades and that proved fruitful although it dominated the different racing series NASCAR organizes yearly.

Going wider through the levels of organization, the management also went after different demographics and markets by organizing races in Mexico and Canada and the introduction of institutions that are similar to academies to promote and empower and support female drivers and train them because more than 40% of the audience are females.

Reaching out for wider audience didn't mean abandoning or ignoring the loyal fans, as the company listened to the fans suggestions and requests related to regulation and organization like allowing only one car to qualify to knock out stage which was met by controversy first but proved to be favorable among the crowds.

Another step in that direction was better exposure in social media through Facebook and Instagram that was called Behind the Wall where some episodes of behind the scenes and interviews and reactions of drivers and crew members and NASCAR employees were done.

These decisions establish a good framework for the future but at the same time these steps

aren't enough for the future, more decisive and fundamental changes over them need to be done to stay at the top and competing, especially the slowly falling ratings and attendance numbers reductions lately, some more research must be put to take NASCAR where it aspires to be.

The negative decisions must also be noted down because they continue to affect the reduction in numbers of audiences around the country like increasing price tickets and lack of coordination with local hotels around race tracks that would also help in attracting people if it was better managed and to return more money into the sport through sponsors and teams and into maintenance of race tracks and introducing more fan favorite aspects of the sport.

This related to management to always keep an eye on long term goals and strategical thinking enough and not just get busy with tactical and day to day affairs.

Conclusion

In the end we would like to emphasize on the role of refreshment of management to get new perspectives and new sets of eyes on the play field because they can come with new ideas to boost the company, also to emphasize on informed decision making and how important to put the corporation resources in serving of proven opinions and educated decisions and making specialized teams to address different facets of the company and the sport and challenges that face it daily and seasonally.

Mixture of mainly good but some poor judgment affects this company noticeably, as it lacks some vision in the higher levels of administration and this situation must be dealt with quickly before it aggravates and worsen in some sudden case of emergency whether internal or external as good management should be ready to deal with all conditions and learn from past situations and experiences to improve the performance in the future.

Questions

1. What criteria do you think would be most important to Brian as he makes decisions about the company's future?

- The Answer is he should focus on research into how to attract newer generations into the sport and how to keep them, and research for even better ways to manage resources to ensure booming future and reverse the current decline and to attract new sponsorships to keep the races full of action and randomness instead of the dangers of becoming stale and predicted and dominated by same names year-in year out, and lastly some good adaptivity and to accept the mistakes and using them to build and move on or to correct the path into better decisions in the future instead of being stubborn and insisting on only one way of doing things even it was new or had held some proof one day, because of these daily changing times.

2. Would you characterize the conditions surrounding NASCAR as conditions of certainty, risk or uncertainty? Explain your choice.

- The Answer is risk, because of the many risky factors and number of challenges it faces the whole auto sport scene specially and for emergence of many new demographics and markets

that will need to be attracted over long time to become hardcore fans for the sport and therefore the company beside that there is also the economic situation and how it shall be dealt with care on all levels whether for company itself or for the audience who are also hit with it.

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