



# Bachelor's thesis

**IDR600 Sport Management**

**Owners influence on sporting matters - a case study  
on a Norwegian football club**

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## **Preface**

The bachelor thesis will be my final assignment at Molde University College, a place where I have highly enjoyed the last three years and provided me with the opportunity of meeting so many great people I am glad to call my friends. I want to thank all of my dear friends for creating a great environment with many interesting discussions and for all those hours we have spent together!

I have been so fortunate to have an internship at NFF Akershus, where I have had the opportunity to work with and learn a lot from my friendly colleagues. They have been supportive all the way, and Anne Ringdalen has facilitated time for me to work with the bachelor thesis whenever needed. I have also had a coaching position in LSK as well, and want to thank Vegar Frey for bringing me into the club and Rune Haavelmoen for sharing his experience and many great moments together, and thank you all for the responsibility and opportunities I have received.

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Finally, my family and dear Tessa, thanks for the love and support.

## **Summary**

**Introduction:** Powerful businessmen have shown interest in buying football clubs as a result of the high amounts of money that is in circulation and their involvement have had negative impact on several clubs. This study seeks to examine the level of influence and power these owners possess in a Norwegian football club.

**Theoretical framework:** Literature on organisational models in football clubs (English and Norwegian), and research on the tenure of the manager and owners has been presented.

**Method:** A qualitative method and semi-structured interview was used to collect data.

**Result, discussion and conclusion:** The influence of the owner on sporting matters were discussed, and if owners are suited to be the final decision-maker given their lack of relevant experience and competence. It is concluded that the owner has had significant input on sporting matters.

**Keywords:** ownership, football, dual-structure.

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## 1.0 Introduction

The business of football has experienced a major development the last two to three decades in terms of professionalism, commercialism and financial growth (Lonsdale, 2004). This massive development has turned regular football clubs into global international organisations, in which departments concerning off-pitch matters have emerged as highly central. Rapid growth in terms of revenues from sponsors, stakeholders and the media cause the attention from wealthy businessmen with an interest of taking part in the circus.

For various reasons, these men are investing largely in football clubs. The owner of clubs in the English professional leagues are provided with full empowerment and usually involve major upheavals as the owner want to put a mark on the club. Organisational structures, cultures and personnel might therefore be exposed to changes. Sometimes for the better, but there are far more cases where the changes have made the situation of clubs even worse (Arnulf, Mathiesen, Hærem, 2012).

In recent years English managers have issued the lack of trust and control of matters that traditionally have been their area of expertise (Kelly & Harris, 2010). These involve which players the club should purchase and sell, and the owners as the final decision maker in sporting/team matters (Herskedal, 2017). Managers are increasingly aware of this particular issue, through assurance by the board of providing them total control of team matters, such as signing and realising players and decide their own support staff.

The current study is structured as following: Firstly, the theoretical framework and existing literature will be presented to give insight to the existing research on the topic. Secondly, the choice and rationale for the research method will be outlined. Further, the results will be presented and discussed, followed up by a conclusion and implications for further research and applied work. The purpose of the study was to examine the levels of influence and authority possessed by one Norwegian Premier League club owner. Based on this purpose, the following research question was asked: To what extend has the owner influence/power on sporting matters in the club?

## **2.0 Theoretical framework**

### **2.1 European-style of management**

In recent years English managers have issued lack of trust and feel less in control of matters that traditionally have been their area of expertise (Kelly & Harris, 2010). Those matters involve which players the club should purchase and sell, and that owners demand the final say in sporting/team matters (Herskedal, 2017). Along with the entry of foreign owners and directors many Premiership clubs have shifted towards a more European-style of management. Within this management structure it is common practice for owners and directors of football to sign and release players without great input from the manager. A director of football may bring stability over time; one individual in total control over the player trading may reduce the changes with a new managers entry and might lead to a more stable player group (Kelly, 2008a). To make this model of organisation to function properly, one has to add country and culture into the equation. Kelly's (2008) work on managers raised in the Irish and English football culture, suggested that managers to a significant extent feel uncomfortable and are reluctant to work under such conditions. This research further addressed the issue of how the new management structure might impact the role and tenure of the football manager. Kelly's (2008b) research on recent developments in football illustrates the concern held by many British managers that the board will provide them total control of first team matters (e.g. player and support staff logistics).

### **2.2 Dual-structure**

English football clubs are listed as public limited companies (plcs), but there is another organisational structure applied in Norway. To be licensed to play in the Norwegian league system teams have to be organised as voluntary sport clubs, which means coaches and players must be members of the club. This prevents regular companies or franchises to buy their way into the sport (Gammelsæter & Jakobsen, 2008). The Norwegian Premier League has experienced a similar development in terms professionalism and commercialism, with many similarities to other European countries concerning increased media attention, increased revenues from TV broadcasting and investors showing interest.



Early in the 1990s Norwegian football clubs experimented with a new organisational structure. Laws set by The Norwegian Olympic and Paralympic Committee and Confederation of Sports (NIF) and Norwegian Football Association (NFA) prohibited takeovers from outsiders, like the English clubs, to keep the power and authority within the football club. In order to attract and cope with the commercial interest, the clubs were allowed to set up a plc bearing the club's name (Gammelsæter & Jakobsen, 2008) and are in control of the financial matters. This is known as the "dual structure". This means the football club and the members of the club should possess full authority of decisions concerning the team selections and other activities connected to the sport like: determine goals, decisions concerning signing/releasing players, recruitment and employment of those working within the department of sport.

The plc, or cooperating firm, were to control the administrative part of the club. This model is meant to clearly separate the sporting department and the commercial part of the club. The two parties are organised as two different companies, which demands two set of boards, double the bookkeeping and rapports in to separate the activities of the club (Johansen, 2014). Gammelsæter & Jakobsen (2008) found in their research that both sides of the club found the structure to be unwieldy as they were dealing with the same issues. The intention behind the regulation was to restrict the influence of the plc and "protect the interest and the autonomy of the association club" (Gammelsæter & Jakobsen, 2008, p. 12). Chapter 13 in the laws set by NIF goes further into details concerning the cooperation between the private market and the sport. The most relevant is § 13-2 stating that "*the voluntary organisation shall remain its position as free and independent, and are to remain authority over all conditions related to the sporting activities*" (Lovdata, 2017).

### **2.3 Sporting committee**

From the year 2003 there were made some changes in these regulations. The possibility of setting up a sporting committee consisting of representatives from both organisations, was opened for (Gammelsæter & Jakobsen, 2008). However, the majority of the committees' members should be members of the voluntary club and thereby the club should still have the final say. Further, § 2-7 in the formal law regulations says that any person with financial interest, or is either board member, employee or shareholder cannot be chosen in such a committee (Lovdata, 2017). The dual-structure was to maintain the authority of the

voluntary club and to prevent financially strong individuals to take control over the club and manage areas they do not always possess the expertise and knowledge required. Within this organisational structure, the head coach or director of football is meant to be in charge of sport related matters. Despite delegating autonomy to the personnel such as head coach, manager or director of football, owners often interfere and want to control these areas of work and limit their owner managers' control, supported by a manager in English Premier League quote (Herskedal 2017, p. 67):

*“He (the owner) wanted to have the last word. He wanted to decide. He decided who to buy and... Ultimately, I couldn't take it any more. It wasn't my team”*

Another finding from Herskedal (2017) research was that several managers in England and Norway expressed frustration over the level of competence owners and directors possess discussed by other researches (Arnulf et al., 2012).

## **2.4 Competence and experience**

A majority of the owners have been successive in a whole other business than football and may believe the same strategies of business can be applied in football. Tom Nordlie, a TV pundit and former head coach in the Norwegian top division, recently stated the following during a ownership discussion on a podcast: “All honour to those investing in football clubs, but there is a limit to the extent knowledge regarding stocks, real-estate and other businesses are transferable to football” (Toppfotball, 2017). Football is more complex and it might take longer time to produce results compared to other businesses in which maximizing profit is the ultimate goal. The success of the club depends on the teams performance, regardless of how well structured and professional the club is, hence the importance of competence of the people in key positions (McDougall, Nesti, & Richardson, 2015). Due to the limited knowledge and experience from the complex football business frequent managerial changes has been a matter of interest both for industry stakeholders (e.g. LMA, 2016) and researchers (e.g. Arnulf et al.). According to Kelly & Harris (2010) these factors cause conflicts between owners and managers, a relationship considered as being one of the most important for the club (Green, 2012).

In the 2015 – 2016 season, the tenure of managers in the professional football English leagues was 1.46 years (LMA, 2016). Alan Curbishley (cited in Murhpy, 2008) argues that overseas owners usually have unrealistic expectations to the manager and the team performances. This indicates that owners and leaders may not be as patient as maybe they ought to be, but they see the fact that the investments does not provide quick returns and might seek other alternatives. Bavan, CEO of The League Managers' Association (LMA) highlights “short-termism” as one of the key factors behind the frequent managerial turnover (Sky, 2015). Continuously increased external pressure from fans, media and sponsors, in addition to the internal pressure from the leaders, leads to hasty decisions by the owner and leaders of the club in times with poor results (Herskedal, 2017). By 13<sup>th</sup> May, a total number of 51 managers have for various reasons departed within the four top divisions in England in 2016/2017. To put this in perspective, one of the biggest clubs in their division, Aston Villa gave Roberto Di Matteo 121 days in charge and was discharged after a poor run of spells. An experienced English top manager gives his view and backs the short-termism in the boardroom (Herskedal, 2017, p. 68):

*He (the owner) looks at the results. A few bad results; the Manager gets the blame. When I was in C (club), the owner didn't come to any games. He lives in Bahamas or somewhere. He doesn't come to football. But he sees maybe on television, and if you lose a few games he rings to the chairman: Get rid of him.*

## **2.5 Recruitment**

The short amount of time a manager is given these days raises questions of the efforts made by senior stakeholders in the recruitment of their next head coach. Green (cited in Kelly, 2008) argues the high managerial turnover reflects the boardrooms competence, and their lack of patience will most likely lead to wrong managerial appointments. These two factors may lead to a poor process of recruitment; the leaders are not able to find the most suited candidate. Leaders of an organisation are the decision-makers and therefore responsible for pointing out the vision and direction of the organisation (Kotter, 2008). Therefore, practitioners like Alex Ferguson (Ferguson & Moritz, 2015) and Brendan Rodgers (cited in Herskedal, 2017) emphasise the relationship between the manager/head coach and owners as crucial. In order to implement the ways and ideas of how things ought to be done, it has to be approved by those with the final say. The same applies the other

way around; it might only take a couple of weeks with poor results before questions are raised whether he is the right man for the job. A weak connection and lack of respect between them might be the drop, in addition to the poor run of spells (Kelly & Harris, 2010). After a candidate is chosen after a thorough evaluation process, the owner and board should present what the head coach can expect in terms of work conditions and level of authority. Clear and specific role descriptions are necessary to secure that all involved know what their work consist of and to what degree their position comes with responsibility and authority (Murphy, 2002). Green (2012) argues, in his book on challenges on the tenure of the manager, that the lack of terms and conditions is a major concern in modern day football, supported by an interview from Kelly's research (2008b):

*Interviewer: When you got the job, did you have a contract?*

*Manager: Yeah, I should have brought you the contract, from England. It's a standard ninepage contract.*

*Interviewer: Were your responsibilities and duties outlined in this contract?*

*Manager: Not really. Well it's pretty straightforward, there's nothing to them [contract]. Sure they mean fuck all anyway. But I also insisted on all footballing duties, I would always insist on that.*

Based on the information provided from the conversation with the club leaders, the manager should consider whether these terms are reasonable and suit his coaching philosophy (Murphy, 2002). To be able to facilitate these measures, communication is a fundamental condition that leads to effective organisational development (Grigorescu & Lupo, 2015). Lack in communication and indifferences prove to be the cause for internal hostility and conflicts, as for instance between the head coach and the senior stakeholders (Herskedal, 2017). The interaction may lead to trust and a common understanding, which is key to achieve organisational efficiency (Herskedal, 2017). A clear communication system will guarantee that every stakeholder know what is expected of him or her in terms of contributions towards the aim of the organisation (Woodman & Hardy, 2001), and then reduce the possibilities of people interfering in others areas of authority or work.

### **3.0 Choice of method**

The research question of this bachelor thesis cannot be answered in measures or frequency, therefore a qualitative method was used to broaden the context specific understanding. To enable information rich descriptions of this topic, deeper contextual understandings regarding the reflections, thoughts and feelings based on lived experiences should apply (Hoefl, 1997). Such contextual understandings are needed to enable proper guidelines for applied work (Gammelsæter, 2013). In this regard, a qualitative approach was chosen for the current study.

During my early stages of the research it became increasingly clearer that the body of research on the topic of ownership within football context is quite limited. Bearing that in mind, an explorative research design was adopted, with the ability for the researcher to follow angles of inputs and include theory based on the nature of the data collected. To do so, a case study was chosen given the limitations in time and space present (Jakobsen, 2005).

#### **3.1 Gathering data**

The most used ways of collecting qualitative data is by performing interviews, participating observation or analysing the content of relevant documents. It is a quite profound process, but especially useful when there is limited research to get more insight of the issue. Patton (2002) argues that the main challenge of qualitative method is concerned with the process of containing the large scale of data that is produced and make something useful of it. The great deal of work that follows makes limitations in terms of informants, in addition to the scheduled time for the research.

#### **3.2 Semi-structured interviews**

When the researcher seek insight in a specific topic and to get a thorough understanding of the answers semi-structured interviews will be useful (Merrell & Bradley, 2009). Bradley (1979) argues for this way of interview to be used when the scientist have the purpose of understanding rather than explaining it. In the current study, an interview guide was made prior to the interviews (see appendix). It is a list of open-ended questions that gives the

informant the possibility of sharing thoughts and feelings concerning the topic. The guide contained four elements. The first section contained an introduction, with some clarifications about the interview (expected use of time and purpose of the study), and on his background in the club. The second part focused on areas of engagement during his time in the club, such as player/coaching contracts, finance and team performances. The third section contained influence on sporting matters, with some open-ended questions like how object perceived the cooperation between the departments, expectations towards the head coach and involvement in sporting matters. The final section were clarifications and expressing gratitude for sharing his time and experience (Gilmore, 2009). The guide was arranged with certain structure, but with possibilities of making changes during the interview. If the object were to answer a question to follow later on, this is of course covered and does not need to be asked once again. This way of interviewing makes it more as a conversation and the guide is meant to make sure all the issues are covered during the interview (Sparks & Smith, 2014).

### **3.3 Interview process**

The informant hesitated during the first phone call and did not appear to be interested at first, but flourished during the conversation and agreed to meet. The interview took place at his office. He received two appendixes (see chapter appendix) prior to the meeting. Appendix one was a form with information and the purpose of the study in order to make sure the informant was fully informed and acknowledged the guidelines. Appendix two was a form of consenting where the informant had to accept several allegations like the information was understood, consented to apply and were familiar with the possibility to withdraw from the study without any need of explanation. Initially the informant had the opportunity to ask questions if there still were to exist some ambiguity, but that was not the case. Secondly we discussed the need of anonymity from the informant and the possibility of recording the interview. None of the issues were of any trouble, but I still chose to keep the informant anonymous because of serious allegations that came trough some of the quotes. The informant was positive and talkative during the whole interview, but the conversation could have been better structured. The informant touched some of the topics I wanted to discuss before I got to ask the questions, without really providing the reflections on some areas. That caused a need for clarification on some of his statements by having to go back to the issue, but it was necessary for the research.

### **3.4 Data analysis**

As the first step in the analysing process, the interview was transcribed shortly after conducting the interview and the transcript amounted nine pages. The document was carefully read through, and the quotes were categorised, interpreted and connected to the theoretical framework (Cresswell, 2007). As such the outcomes of data analysis shaped the structure of the result and discussion chapter.

### **3.5 Limitations of the research**

A potential limitation of this research is that it has only been performed one single interview, explained by the difficulty of getting access to these type of persons that might be described as powerful and busy businessmen. Reaching out to more objects turned out to be challenging. Interviewing people in other roles in the club was also considered, but has been covered by Herskedal (2017).

## 4.0 Results and discussion

The intention of this research was to examine the level of influence and power the owner in this particular case study possessed on sporting decisions. What makes this field of area interesting relates to the organisational structure model that the majority of Norwegian Premier League clubs have adopted and if the laws set by the Norwegian federation of sports is sufficient. The following sections will reveal the most important findings of the study discussed in light of existing literature. In line with the main findings, the results and discussions are structured into challenges following the dual structure (1) the importance of relevant knowledge and experience in football (2) influence through the sporting committee (3) and the recruitment process on key positions (4).

### 4.1 Challenges related to the dual-structure.

The finding related to this section concerns that the structure caused disunity as a result of the segregation between the two organisations.

Personnel within dual governance structured clubs found it to complicate the operation of the organisation because of the involvement of many actors, which made making quick decisions challenging (Gammelsæter & Jakobsen, 2008), and the owner supports the literature and finds the English organisational model more efficient with these quotes:

*It was very complicated. There were two set of boardrooms, one in the plc and one in the club. And you had representatives in the sporting committee from both sides, and I found it very unwieldy and challenging. (...) That is (the English model) clearly, in my opinion, the most effective way to run a business.*

By being organised as two organisations dealing with the same issues, with different priorities and view on how run the club made their most important matter difficult; namely to develop the organisation day by day and facilitate a good performance environment for the team. One might argue that the opposite views at least provides a broader perspective on issues and leads to constructive discussions, but in this case it seems like the two sides were struggling to cooperate and therefore had the opposite effect. According to the owner participating in the current study, the organisational model seems to have caused poor



cooperation between the two sides:

*“Well, to be honest, the cooperation was not good. It could have been considerably better. I perceived it as the club saw us like a hair in the soup. We were a factor to them. It was good that we contributed with financial support, but we were not suppose to care and express our thoughts about what these was to be used for. I had that impression all along”.*

*“It was like that from the very beginning, when I got to know the people in the system. It was “us”, and it was “them”. That was the salutation from the club, us in the sports club and they at the plc”.*

By creating two organisations working with the same product seem to have created to some extent a disunity in the club, which is hurtful for the progress of the team. How can a club proceed towards their goals and direction, if these matters are not agreed (Kotter, 2008)? The model facilitated involvement of too many people in discussions, which made it hard to make quick decisions compared to the English model where the owner ultimately has the final say and can delegate authority to whom he pleases. That is clearly one of the reasons to raise concern to the English model; the owner has the final word and decides the direction the club is drifting towards (Arnulf et al., 2012, Kotter, 2008), with Blackburn Rovers FC being an example of the limitations of the structure.

## **4.2 Influence through the sporting committee**

The findings in this section concerns the confirmed level of influence the owner had in sporting matters and if there has been a violation of the formal law regulations by having a seat in the sporting committee.

As previously mentioned, one way to include the plcs to a greater extent was by forming a sporting committee with representatives from both organisations (Gammelsæter & Jakobsen, 2008). If there were any disagreements or doubts in the current case, the voluntary club would still have it their way. Occasionally there were some big discussions, to which the committee had the final say for example when signing and releasing players. The owner had a seat in the sporting committee, and the passion for the club lead to some

heated discussions concerning sporting matters. When the second head coach (during his involvement) left the club, media drew to the conclusion that the owner had threaten to stop the financial support if the head coach continued.

*“Well, it was the plc that were the driving force against him (head coach). I really pushed to get that decision through, because I did not believe he was the right man for the job. But, I never threaten to stop the investments, despite the outcome, although it was presented that way. Maybe they (the club) perceived that as well”.*

The owner’s seat in the sporting committee has without doubt has left him impact the club’s sporting matters. The formal law regulations state that the club will possess complete authority concerning sporting matters and secondly that stakeholders with an economic interest in the organisation are not electable for these roles (Lovdata, 2017). The owner confirmed to have made impact on the sporting matters, through his role in the sporting committee. Although the club had the last saying if there were disagreements, he still had significant impact in matters like replacing the head coach and discussing player transfers. Questions towards the NFA should be raised, since there has not been any sanctions or involvement from the association in this case. The dual-structure was meant to prevent financially strong individuals taking control of the club, but seems to have failed in the current case and that capital and investments still is the decisive factor for power and influence, regardless of regulations and laws. There seems to be a lot of unanswered questions regarding what goes on behind the scenes and who is responsible for protecting the clubs from these situations, and if clubs in financial crisis are in position of going against their main investor. Regardless of the seat in the sporting committee, the owner was not happy in terms of influence compared to his financial contributions. In cases of disagreements the club’s view would have preference to the owners misfortune, as exemplified in by the following quote:

*“I do not think we (the plc) had enough breakthrough for our desires and needs. I really don’t. I wished for more influence. A long with the years, it got more and more complicated. I started to lose interest, since the club always called for more money and players, and our opinions were not given much thought”.*

### 4.3 Relevant competence and experience

The findings concerning this section were that a short-termism view in combination with limited experience and knowledge about the complex football business results in high managerial turnover. The next finding shows that the poor competence and experience is leading to unreasonable expectations towards the head coach and performances.

Limited experience from the football environment and limited competence might cause frustration among managers (Herskedal, 2017). The responsibility of the clubs performance is not only the managers', but also the ones accountable for the appointment of the manager. The manager may have short-term impact, but the future of the club and its assumptions of success are determined by the owner, board and director (Kotter, 2008), hence the importance of relevant experience and competence by the leaders. The owner in the current case had played football at decent level in his time, and thereby familiar with that aspect of the game. After retiring as a player, he succeeded in a non-relatable business and was not involved in the game for many years and purely focused on his company. A reasonable question to ask is to what degree his football background is relevant, given the major development football has experienced since he played football himself in the 70's. As briefly mentioned during the theoretical framework, it is also questioned whether a business background is transferable to the complex industry of professional football (Nordlie, 2017). The expectations towards the manager and team performances from some owners have been discussed (Murphy, 2002), is highly relevant when it comes to the background of the owners. Very few have background from football business, and at the end they are the ones who set the goals and expectations for the organisation. Sometimes these expectations are seen as unreasonable, and the owner in the current case might have done the same:

*We (sporting committee) developed a plan, and for some reason the goal we agreed was that we would become better than Rosenborg (had won the league title 13 times in a row).*

A club on the brink of bankruptcy, finding themselves in the middle of the table for the last couple of seasons then suddenly outcompete the biggest club in the Premiership might be seen as unreasonable to expect by the leaders given the state of the club. A short-termism view and lack of patience among internal (club) stakeholders have caused personnel

changes in most football clubs (Arnulf et al., 2012, LMA, 2016) Patience is central and highly relevant in this discussion. Managerial casualties are the result of an hasty chase for results and to some extent performances, and managers may be given a couple of months to turn things around with a squad they often have inherited from the previous manager. Owners compare the results to the investments, and if those factors do not correspond – the conclusion seems to be that head coach or manager is not the right man for the job. That might be connected to the owner's background, as these often have experience in other businesses where there is normal to react when they see that their investments are giving a return, and feel the need to make changes.

The major public interest for football does not make the situation any easier, with the press black painting situations in difficult periods, and fans demonstrate to show their discontent in the stadiums and on social media (Herskedal, 2017). These external factors impacts the choices of the organisation, and in many cases there are internal stakeholders putting pressure on the leaders of the club as well. The leaders therefore feel the need to make transitions in order to turn things around and that usually involves bringing in a new manager as a short-term solution (Arnulf et al., 2012), like we have seen clubs like Hull and Sunderland have made in recent years. The informant of this case replaced the head coach as soon as he took over, and that was after a couple of seasons ending middle of the table and few years after taking a medal. The reason for replacing him was explained like this:

*“We replaced the head coach (head coach), he wanted to continue in his position, but he had been there for seven years, so we thought it was time for a change”.*

By the time the owner took over the club were almost bankrupt. The club was lacking competent people in several positions and had many off field issues to deal with. The player group was decent. Despite these factors, the owner replaced the head coach because “he had been there for seven years” and therefore time for change. That gives a view of how easy the owners evaluate their personnel, and does not seem to emphasise the state of the club during the evaluation of the head coach. One might argue that the head coach had done well considering the state of the club. The successor was also replaced after a couple of seasons, as mentioned in the example where the plc were the driving force of his resignation. This head coach brought them in the top flight and battled for trophies.

Unfortunately he did not meet the expectations set by the club, as the club wanted to go all the way to the top. After two years his position was discussed in the sporting committee.

*“He (head coach) had a three-year contract and he wanted to expand or renew his contract after two years. I brought it up in the sporting committee and the conclusion was that they were not satisfied. We were not sure if he was the right man for the job to take us all the way to the top, as he may have lacked the needed experience. (..)*

*“There were a lot of disagreements, but I argued as well as I could. They (the club) were not satisfied either, but wanted to let him finish his original contract. That was even worse, I argued, we can not let the head coach continue if we don't think he is the right man, there's no time for that”.*

During his time as owner there were several changes in the position as head coach, but no changes in the sporting director role or CEO of the club. It makes it look like the coaches are the only actors seen as responsible for the results. The sporting committee with the owner, the chairman of the club and the CEO also had a saying in matters concerning the sport, yet there were only changes in the position of head coach and his support staff.

#### **4.4 Recruitment process in key positions**

In the final section the main finding involves the poor recruitment process for several of their key positions, like head coaches and other highly relevant positions working close with the team.

One of the arguments to replace the much discussed head coach was his lack of experience. That raises question of the work in terms recruitment and considerations before he was employed (Arnulf et al., 2012). Way to often it seems like clubs employ coaches based on their reputation or playing career rather than their coaching philosophy and if he fits their organisation. The following quote is about one of the coaches from his time during time as owner in the club. It shows how little work that has been put in the recruitment process, and it was not like he was not known in the football environment prior to this employment.

*“I don’t think he (head coach) was flexible enough. He spent way too much time on coaching the players on the training ground. Coaching is good, don’t get me wrong, but he could use an entire two-hours practice to coach, stop the play to talk and talk. He’s quite fond of hearing his own voice. The players got sick of it when it was like that all the time. I told him to change or adjust his coaching a little, but he refused. No way. Eventually he was gone as well”.*

When the head coach was challenged on his coaching philosophy, he refused to change his coaching methods. Could he have bought himself some more time, by playing ball with the owner and adjusted to his will (Ferguson & Moritz, 2015)? When the coach were replaced, he stated it was impossible to make it work when the club had two leaders and pointed towards the sporting director employed by the plc, and when these two fundamentally disagreed on how to run the club/team and how the team should play. That is critique worthy, having employed two people in these central positions and the clubs performances depend on these two peoples cooperation. And this is one of the major challenges with the dual structure, a case where you have two different sides recruiting people to highly central positions that require strong connections. The result was personal intrigues and poor cooperation between key employees of the club.

*“The head coach did not get along with the CEO or sporting director at least that is my impression. I can’t guarantee it, but I think those two made things quite difficult for him (the head coach)”.*

The recruitment, communication and planning were areas of improvement within this club. When the head coach fundamentally disagrees with the sporting director, it is just a matter of time before things get out of hand and before the players pick up on it. The relations, structure and dynamics between the involved personnel were clearly not well organised and likely to have been impacting the performances of the time. The club have not been clear in the communication of what the head coach of the club might expect during the recruitment process and lack of clear role descriptions as there were several people working on the same matters (Murphy, 2002). When the head coach resigns, or is forced to leave because he does not agree with the terms there have been some failings in the communication. Questions should be raised concerning the recruitment process of the sporting director as well. He had no experience or formal education concerning his areas of

work, besides being an ex-professional player and his work required some knowledge about financial issues and management skills. When discussing the sporting director quotes like these were presented from the owner:

“Well, he has some strengths and some weaknesses (..) I had to be the creator of the sports plan, since he (the sporting director) was a particular writing kind of guy”.

## 5.0 Conclusion

This study set out to search for what extent investors or owners has influence and power on sporting matters in the club based on a case study with one former owner. The main areas concerns that the structure caused disunity between the two organisations. One of the main findings is the level of influence the owner had in sporting matters. Further on was, it seems to have been a violation of the formal law regulations with the owner having a seat in sporting committee. Another finding was related to the that a short-termism view in combination with limited experience and knowledge about the complex football business results in high managerial turnover and that lack of competence and experience is leading to unreasonable expectations towards the head coach and performances of the team. The main and final finding involves the poor work with recruitment of key positions such as head coaches. It is clear that the owner has had significant influence on sporting matters, although the regulations try to prevent a situation like this. He had a saying in player transfers, the employment of the sporting director, whom to give the position as head coach and were heavily involved in the sporting committee. This indicates that the system cannot resist the power of money and there should be raised questions if the regulations and protection from the NFA is sufficient from preventing clubs against these situations. Future research should examine the owners' influence to a broader extent, and look further into their background and to what extent these are suited to be leaders of football clubs.



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## 7.0 Appendices

### 7.1 Appendix A – Interview guide

#### 1. Introduction and background information

- Who am I (brief)
- Importance and explanations concerning the interview (expected use of time, purpose and discuss confidentiality).
- Background information of the informant (roles, education).
- How did you get involve in the club?
- Thoughts about the concept of the club.

#### 2. Club engagement

- Can you describe what areas you engaged when you were involved in the club?
  - Goals, strategies.
  - Team performances
  - Contracts
  - Employees: relations, contracts.
  - Players
  - Developing players
  - Finance
  - Fans
  - Media

#### 3. Influence on sporting matters

- To what degree do you feel involved (directly/indirectly) on sporting matters?
- How was the process (in example, frequents and who were you in contact with?
- Ever used increased investments as an argument for getting your will?
- How do you interpret the cooperation between the club and plc?
- How do you interpret the power balance between the club and plc?
- What do you think of what the owners and investors receive for their contributions in terms of influence?

- To what extent were you satisfied with the use of financial contributions from the club?
- Have you ever felt the need to overrule the leaders of the club in any areas and can you come with an example?
- How has the communication between you and the club about the goals of the club and how to reach these? (Financially, organisationally)
- To what extent did you feel that the club wanted your involvement?
- Do you see any challenges that may prevent if investors gain too much influence in a club?
- To what degree did you feel that the personnel in the sport department contain the needed competence to reach the goals of the club?
- Have you ever used your position and financial power to force your wishes in sporting matters? (Coaches, players).

#### **4. Ending**

- Clarifications
- Big thank you for your contributions in terms of time and competence.

## 7.2 Appendix B – Consent form



**Høgskolen i Molde**  
Vitenskapelig høgskole i logistikk

Title of project:

*To what extent has investors/owners influence/power on sporting matters in the club?*

1. I confirm that I have read and understand the information provided for the above study. I have had the opportunity to consider the information, ask questions and have had these answered satisfactorily.
2. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving a reason and that this will not affect my legal rights.
3. I understand that any personal information collected during the study will be anonymised and remain confidential.
4. I agree to take part in the above study.
5. I understand that the interview will be audio recorded and I am happy to proceed.
6. I understand that parts of our conversation may be used verbatim in future publications or presentations but that such quotes will be anonymised.

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Name of participant

Date

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Signature

---

Name of researcher

Date

---

Signature

## 7.3 Appendix C – Participant information

**Title:** *To what extent has investor or owner influence/power on sporting matters in the club?*

**Researcher:** Wendell Grimshei Skottevik.

**Supervisor:** Kjell Marius Herskedal.

You are invited to take part in a research study. Before you decide, it is important that you understand why the research is being done and what it involves. Please take time to read the following information. Ask us if there is anything that is not clear or if you would like more information. Take time to decide if you are willing to participate.

### 1. What is the purpose of the study?

You have been invited to take part in a study as I'm interested in examine in a less researched topic which involves the owner/main investors influence on sporting matters in the club. A lot of Premiership clubs have survived on the help from investors; where it is expected to contribute financially without have a saying in sporting matters. I wish to enlighten the investors view on the topic.

### 2. Why have I been asked to take part?

You have been asked since you have been involved as an investor in a top-flight club in Norwegian football. You are, or have been experienced a period where Norwegian football experienced a major economic growth and those experiences and thoughts you possess would contribute to enlighten a subject that needs discussion and contribute to develop a more attractive product.

### 3. Do I have to take part?

No, it is up to you to decide whether or not to take part. If you do you will be given this information sheet and asked to sign a consent form. You are still free to withdraw at any time and without giving a reason. A decision to withdraw will not affect your rights/any future treatment/service you receive.

**4. What will happen to me if I take part?**

If you take part you will be contacted for an interview. The interview is expected to last for about 30-45 minutes and will be taped.

**5. Are there risks or benefits involved?**

The interview provides the opportunity to talk freely about the described topic. Parts of our conversation may be used verbatim in future publications or presentations but that such quotes will be anonymised.

**6. Will my taking part in the study be kept confidential?**

Your confidentiality will be maintained in the study as potential references (as names, club names) will not be revealed. The large number of interviewees will make it impossible to identify individual statements.

**Contact Details of researcher**

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