<u>Working Paper No. 85/05</u> Local community relations (LCR) strategies in Norwegian professional football

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Abstract

In this paper we study local community relations (LCR) strategies of four professional Norwegian football clubs in the light of what is taken to be an organization field that is identified as being increasingly more institutionally defined over the last decades. LCR strategies are specific approaches that materialize in some action to improve the clubs' relations to local constituents. Our conclusion is that the LCR strategies of clubs to a large extent reflect institutionalized ideas and even regulations about how modern professional football clubs in Norway must behave. This explains the similarities in addressing strategic planning, stadium development, and local players' policies. We also see, however, that the clubs can initiate projects and measures that are not so directly defined by institutional field there are many layers that in the end present the focal club with the discretion to relate to its community in a specific manner.

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Introduction

The thrust of the organizational field argument in neo-institutional organization theory is that the more institutionally defined the field, the more similar becomes the organizations in the field in terms of formal structures, organization culture, goals, programs, or mission (DiMaggio and Powell 1983). As organization fields institutionalize the density of organizations and the complexity and similarity of organization structures typically increase (Meyer and Rowan 1977), and so does the extent of interaction among the organizations, the clarity of patterns of domination and cooperation, the information load with which the organizations must contend, and the mutual awareness of being involved in the same enterprise (DiMaggio and Powell 1983). The field context of the organization in question is broadly taken to be suppliers and consumers, competitors and complementary producers, and regulatory agencies that 'in the aggregate constitute a recognized area of institutional life' (DiMaggio and Powell 1983, 148). Within this context the main objective of the argument has been to explain the emergence of fairly standardised templates within organizational fields (DiMaggio and Powell 1983, 1991; Powell & Jones, 2000).

In this paper we study local community relations (LCR) strategies of four professional football clubs in the light of what is taken to be an organization field that is identified as being increasingly more institutionally defined over the last decades. LCR strategies are specific approaches that materialize in some action to improve the clubs' relations to local constituents. Against the background of institutionalization of the football business we ask if it is possible to observe homogeneity in the clubs' LCR strategies, or whether the clubs relate to their communities in different ways.

The football business as an organization field

Gradually over the last century association football, or soccer, constituted itself as the world's game (Murray 1996). At the founding of Fédération Internationale de Football Association (FIFA) in 1904 only seven nations were represented. At the time of writing, more than one

hundred years later, the membership comprises exactly another 200 national associations.¹ Although many national associations and league organizations are as aging as FIFA (even the Norwegian Football Association was established as early as 1902), many of the features that we today associate with the organization of the sport have a more recent origin. Particularly over the last 50 years "the football business" has increasingly become constituted as an institutionalized community of organizational actors that establish, maintain and transform the rules of the business. Thus, the European soccer federation (UEFA) was not formed until 1954, and the forerunners of European tournaments that we know today were set up in 1955 (The Champions Clubs Cup as a forerunner for the Champions League), in 1960 (the European Cup-Winners' Cup) and in 1971 (UEFA Runners-Up Cup). Today the two latter are merged in the UEFA Cup. Similar regional confederations where set up in Asia, also in 1954, Africa (in 1957), North and Central America (in 1961) and Oceania (in 1965), whereas in South America a regional confederation had been founded already in 1916. Additionally, an international federation for professional footballers saw light in 1965. The original objective of FIFPro (Fédération Internationale des Footballeurs Professionels) was to co-ordinate the activities of the different players' associations (at present numbering 40 national associations) and to represent the interests of the professional football players.² The proliferation of organizations in the football business has also been helped by vocationally based associations being set up outside the international and national football federations, such as national soccer coaching and referee associations, not to forget the many fan based clubs and associations and the player's agents of which there are now more than 2.500 licensed by FIFA.³

Just as important as the specific football associations in constituting professional football as an increasingly more dense and interconnected relational network has been the entrance of big sponsors, TV-companies and, in Europe at least, civil regulation bodies into the field. The expansion of regional federations in the 1950s and 1960s was a signal of the expansion of football worldwide, and the expansion of football in the Third–World was also effectively advocated by FIFA, particularly after the multimillionaire Brazilian João Havelange was elected president in 1974. Multinational companies such as Coca Cola and Adidas became important sponsors and allies for FIFA in spreading the sport (Murray 1996) and commercials increased as an important source of income for many professional clubs.

¹ Cf. www.fifa.com/en/organisation/na/index.html

² Cf. www.fifpro.org/index.php?mod=plink&id=2643

³ Cf. www.fifa.com/en/regulations/agents/players.html?static=5

The importance of commercials was not only that FIFA could expand its market, but also that clubs that attracted a big audience could fortify their position by extracting comparatively more of the revenues that the sponsors contributed than could smaller clubs. This was merely a prelude to the TV-era, however, when the interests of sponsors and the media-corporations converged to the extent that the income from TV-rights has become the most important revenue for the many professional soccer leagues in Europe. The deregulation of terrestrial television in most nations and the emergence of satellite technology have cleaned the table for competition between commercial media-corporations that see live sport, and football in particular, as the most important bait in attracting both viewers and advertisers. And they have been more than willing to put money into sport. Between 1989 and 1996 the world sponsorships more than tripled,⁴ and the value of the World Cup television rights have increased from 64 million in 1994-tournament to 890 million US\$ in the 2006-tournament (Westerbeck and Smith 2003). And whereas the gate receipts and commercials in the Premier League increased by impressive 342 and 365 per cent respectively between 1992 and 2003, revenue from broadcasting increased by a stunning 3520 per cent (from 15 million to 543 million pounds stirling) (Mitchie and Ougton 2004).

Commercialization of sport makes sport similar to trade, and in Europe one of the rationales for establishing a European Union was the regulation of economic activity. As trading activity in sport (including sporting goods) has been increasing and now is estimated to make up three per cent of the gross domestic product of the Council of Europe (Henry 2003), it is not surprising that the European Union has been interested in defining some commercial sporting activity as being within the confines of its jurisdiction. Consequently, when sporting disputes that have not been settled within the legal system of the sport itself have been taken to the European Court of Justice (ECJ), the court has sometimes been willing to overrun the rulings of both sports federations and national courts. The Bosman ruling in 1995 is now renowned for its repercussions and blow on the autonomy of the UEFA, the national football associations and the clubs in deciding on the licence of the footballer when in conflict with the right to free movement of professionals that is adopted by the European Union. A less severe judgement was made already in 1986 when the ECJ decided that the qualification of a Belgian football coach was equal to the French qualification and that neither the French

⁴ Cf. The Economist (1998), The world of sport: Not just a game, June 6. or

www4.economist.com/surveys/displaystory.cfm?story_id=168569

association nor the French court could deny the Belgian from coaching in France (Henry 2003). It is expected that more cases be taken to the ECJ,⁵ although national courts ruling in accordance with the European legislation possibly curb the amount of eligible cases being settled in the European court.

Needless to say, the development summarized above has impacted immensely on the composition and institutional definition of the organization field of the professional football club. What disturbs many experts in the field is that the recent accelerating increase in revenues has been paralleled by decreasing re-distribution of money between clubs (Jackson and Maltby 2003). This signals a shift in power distribution from the smaller clubs and the national regulating associations on the one hand to the big clubs and their leagues on the other. Its effects are violation of the competitive balance, bankruptcy of lagging clubs, threat of rival leagues being set up, and large income gaps between leagues that encourage clubs to gamble on success (Mitchie and Ougton 2004).

Whilst the definition of organizational fields is fairly straightforward in terms of including the organizations that together constitute a recognized area of institutional life for the focal organization, the concept is more problematic when organizations and their fields are to be studied empirically from the point of what constitutes an area of institutional life for the single organization. Whilst the grand picture of change in professional football certainly has important impacts also in a small nation like Norway, what constitutes the context for the singular club is much more fine-grained than the pattern emerging from an outline of international football. Let us therefore consider the clubs' closer context at the Scandinavian and national level before describing their LCR strategies.

⁵ Another lawsuit that experts believe will go to the European Court is a case the Belgium first division club Charleroi has brought up, suing FIFA on its policy of players being released for international matches without compensating the club. In 2004 FIFA ruled that the Charleroi's Oulmers had to play a friendly for Marocco against the will of his club. He was injured in the match and was out of action for seven months. Charleroi missed a place in the Champions League, blamed it on the loss of Oulmers and is suing FIFA for compensation. The powerful G14 group of Europe's top clubs are funding Charleroi's case (The Observer, October 23, 2005)

Professional football in a Scandinavian context

In Scandinavia, professional football was allowed in Sweden in 1967, in Denmark in 1978 and in Norway only in 1991. In hindsight, these dates possibly turn out to be of minor importance in terms of accelerating professional football in the sense we talk about it today. Admittedly, a lot of players were contracted already in the 1960s⁶, and transferred players were paid for undisclosed in many instances, but the breakthrough of full professionalism was a later phenomenon. In fact, the first clubs to introduce full professionalism in Scandinavia was Brøndby in 1986 (Thye-Petersen and Steenbach 2002) and Malmø FF in 1989 (Billing et al. 1999).

In a historical context, the relatively late advent of professional football in Scandinavia can be explained, partly at least, by the meagre potential for gate revenue. Today, the total population of the three countries is about 20 million people, and with three full national leagues many of the clubs, almost as a matter of probability, represent cities with populations less than 100.000. In Norway, in particular, the teams are also spread over a huge territory and even today few fans follow their side to away matches due to long travel distances and high costs.

As it turned out, the basis for comprehensive professionalism in Scandinavian football was the increased commercialization of football in the 1990s and the influx of revenue from TV broadcasting and investors that for different reasons wanted to support a professional football team. Although it was not a new phenomenon that businessmen supported football clubs financially,⁷ it was not yet the general rule. From the late 1980s and onwards, however, many clubs reorganized primarily to attract revenue from external sources. In all the three countries clubs established PLCs to attract investor capital, and in Denmark (AB, Brøndby, FC København, Aab, Silkeborg, Århus) and Sweden (AIK) clubs were listed on the stock markets. In Norway, the Confederation Sports has not yet permitted that the licence for playing in the league be transferred from the club to the PLC, irrespective of the share interest of the club in the PLC. During the 1990s, however, most top clubs developed contracts that *de*

⁶ Cf. http://www.dbu.dk/page.aspx?id=812

⁷ For example, in Sweden the typewriter company Facit made a top team of Åtvidaberg in the early 1970s by employing top players in the company (Billing et al. 1999), and in Denmark the Copenhagen club B1903 was heavily supported by the property speculator Alex Friedman throughout the 1980s (Thye-Petersen and Steenbach 2002)

facto gave their affiliated PLC great influence in both commercial and sporting matters. In essence, and despite economic setbacks in many clubs, in the 1990s Scandinavia football succeeded in establishing a lasting economic basis for professional football.

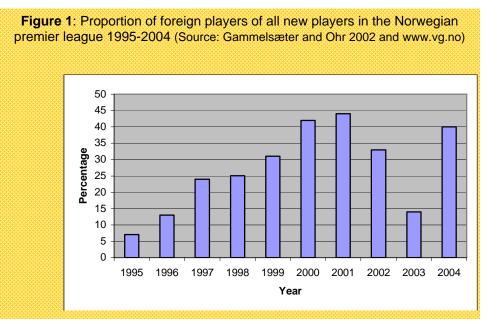
The Bosman ruling caused the near elimination of restrictions on player transfers in Europe, and the influx of investor capital in Scandinavian clubs spurred the transfer of players to bigger leagues and clubs in Europe. Sporadically, Scandinavian clubs had for a long time exported players to continental clubs, but in the second half of the 1990s Scandinavian clubs saw an increase both in the number of transfers and in prices. Many clubs saw the possibility of increasing their income by becoming net exporters of players, and new investors were attracted to the business because it allegedly emerged as a new promising industry. As late as 2000 S.W.Carlsdoff Partners AG in Zürich concluded in a report to the Norwegian top clubs association that "European football is developing explosively – and will continue to do so" and "football as industry is not yet half way towards being a mature industry".

Professional football in a Norwegian context

Norwegian football, so far the most backward among the Scandinavian countries, took the Scandinavian lead in the 1990s, in terms of net transfers to the big European leagues and also in terms of the wages the players were paid (Goksøyr and Olstad 2002). This was fuelled by the qualification of the Norwegian team for the World Championship in 1994, for the first time ever, and obviously by the fact that Norway played two qualifiers against England in 1992-3 (resulting in a draw and a home win). Given the admiration of British football in Norway (Goksøyr and Hognestad 1999) these events boosted the interest for Norwegian football in the popular media and in the public. Adding to this, Rosenborg of Trondheim, was about to establish itself as the leading Scandinavian club by qualifying for the newly established (1992) Champions League not only in 1995 but for all the subsequent years. Norway failed to qualify for the 1996 European Championship, but when the team succeeded again in qualifying for the World Championship in 1998, the 1990s still turned out to be the most successful in the history of Norwegian football.

However, the advent of professional football also brought with it features that clashed with traditions. The success of Norwegian football was not solely based on the increasing flow of revenue, but as much on several long-term development and education projects launched by the Norwegian Football Federation in close collaboration with the clubs. The players that initially took Norway to the international championships and later were transferred to foreign leagues were homegrown. However, Norwegian clubs now started to import talented players from "cheap" leagues such as Iceland in the hope of selling them off to richer clubs abroad. The success of Rosenborg in attaining UEFA prize money for playing in the Champions

League year after year spurred the top clubs in both and Norway the other Scandinavian countries (cf. e.g. Ystén 2004) to stake a lot on qualifying for the **UEFA** tournaments. To this purpose, many clubs invested in more



experienced players from foreign, mostly Nordic, leagues instead of the best Norwegian talents that were thought to be more expensive (Gammelsæter and Ohr 2002). Hence, during the last half of the 1990s the import of players, both talents and experienced athletes, increased dramatically (cf. figure 1). As a consequence the chances for local talents to develop through playing in the senior squad diminished.

Towards the end of the decade, the supporters also saw the club owners employing more and more external business people, often without any specific football background, in management positions. Although most of them managed the PLC and not the club itself, it was clear that their influence on the club's sporting dispositions was strong, and they also frequently acted as spokesmen on behalf of their club. In some instances the decisions that were made led to conflicts between the investors/management and club members, fans and the public. When the prevailing idea among investors was that the clubs had to be run as private

companies, an idea that tended to let the media and the public out from the internal life of the club, alienation was growing among adherents and fans.

At first, the clubs' management seemed not to address these problems, but after the turn of the millennium many clubs rather unexpectedly ran into financial trouble. A few of the biggest clubs even had to bring their heavily indebted PLCs to sleep. Due to the Bosman ruling in 1995 the clubs had been eager to sign long-term contracts with their best players in the hope that they could be sold for high fees before their contracts expired. However, there were now skilled professional football players in abundance in Europe, and when the Norwegian national team returned from the 2000 European championship with little glory and few of the international players still playing in the domestic league, the scouts of the big European clubs had turned their eyes on other nations. The clubs that had budgeted solid transfer incomes found the demand for players evaporating and their costs unbearable.

Responding to layers of contexts in institutionalized fields

Neo-institutional theory has been criticized for being too deterministic in terms of taking for granted that organizations adapt to institutional pressures in the same ways (Oliver 1991, Greenwood and Hinings 1996, more). In fact, the concept of the institutionalized organizational field is problematic if we place the single organization at the centre of the field and at the same time assumes that organizations are exposed to different layers of contexts; not only international but also national and local contexts. Accordingly organizations even in the same industry may be exposed to unique and compound contexts involving conflicting institutional pressures. Moreover, organizations may vary in their capacity and willingness to align with institutional objectives, pertaining to questions of legitimacy and efficiency and the influence of adoption on vested interests and governance structures (Oliver 1991, Gammelsæter 2002). It follows that organizations may sometimes respond actively to field pressures and correspondingly develop different responses to attain legitimacy and survival (Oliver 1991).

Several types of strategic responses to institutional pressures, ranging from acquiescence to active responses, are available to organizations, depending on why the pressures are being

exerted (cause), who is exerted them (constituents), what these pressures are (content), by what means they are exerted (control), and where they occur (context)(Oliver 1991). In part, the structuration of the organization field constrains the responses available to the focal organization (DiMaggio and Powell 1983). In fields being dominated by actors that have the power to exert coercive pressures pervading several layers the responses available may be restricted. The extent to which fields can be structured is also restricted, however, just like the possibilities that are available to managers in rationalizing the individual organization.

There is little doubt that professional football with its transnational regulating megaorganizations and its extreme media coverage and mobility of players, coaches and managers is apt for institutional-inspired studies when it comes to diffusion of organization structure, strategy and management ideas. Firstly, as already indicated organizations like the EU and FIFA, regional (UEFA) and national federations have the power to coerce clubs to respond to regulations. Of particular importance to this paper are the stadia manuals and regulations enforced by UEFA, and the UEFA academy plan that requires that teams that submit for UEFA club competitions by 2008/09 must have in its 25-man squad four club trained and four association-trained players (players trained by other clubs from within the same association of the said club). Thus UEFA and the national associations, which to some extent can apply the regulations to national circumstances, have for some time impacted on the clubs' stadium policies and will increasingly do the same in terms of putting pressure on the clubs to grow local players.

Secondly, in terms of normative and mimetic pressures ideas like professionalization and the wide adoption of the PLC-model in the professional football world could be studied through institutional lenses. We also observe that there are several models of ownership of football clubs (ranging from floated clubs to voluntary ownership), and that the Norwegian Football Association, contrary to most comparable countries, so far has denied PLCs to be licensed as playing clubs. This testifies to the contention that organizations can use different strategies to deal with institutional field pressures that at first sight may turn out to be similar but that on closer scrutiny must be dealt with differently because organizations are exposed to different layers of institutional norms and expectations.

In Norway, the economic crisis that hit so many of the clubs at the start of the new millennium prompted a discussion of the relations between the clubs and their immediate surroundings. When most of the top clubs ran into financial problems, rhetoric about returning to local roots was widely heard. Investors and club managers had realized that putting their stakes on attaining net revenue from transfers was an insecure strategy and that football perhaps was not going to be the prosperous business that had been forecasted a few years before. Previous strategies had brought a lot of well-paid but also flopping foreign players that tended to keep local talents out of the squad; less transparent clubs; and accusations that some clubs removed themselves from their local communities. Now the attention was turned towards the possibilities of increasing revenue by other means, in particular by raising gate revenues; improving the development of cheaper talents; increasing revenues from corporate hospitality; and the building of new stadia. Whilst on the latter issue the Norwegian Football

Association have been eager to enforce the UEFA guidelines, both stadia and LCR policies in Norwegian clubs have also been highly influenced by he experiences made by the forerunner clubs that put up stadia in the late 1990s or around the millennium. In particular, the experiences of Molde FK served as a compound temptation and warning to the other clubs (confirmed by references given by our interviewees): After the inauguration of a new stadium in 1998 the gate revenues increased impressively, but when the club was ridden by cultural, personal, and community conflicts that reflected the tensions connected with the duality in its governance structure (club + affiliated PLC), sporting success in 2002 was not enough to lift the attendances at home matches. The lesson was twofold; the building of new stadia would attract higher crowds, in itself an important message in light of the wrecked transfer market, given that club traditions, its people and the community be treated carefully and respectfully.

"You can kill a football club as a business, but you will never kill a football club as a community institution" asserts David Boyle, Deputy Manager at Supporters Direct in England and an AFC Wimbledon supporter (Boyle 2003). The transition of rugby from amateurism to professionalism has also revealed that at the end of the day it is the local supporters that are the most important institutional constituency for most European clubs (O'Brien and Slack 2004). It is the legacy of popular sport that it is enmeshed in the traditions and identity of local communities. Whilst other industries of different kinds (and indeed also sports clubs in Australia and North America) can invariably be moved partly or entirely to other places, even nations, history has showed us that when it comes to European sports clubs this is very difficult. The example of Wimbledon FC moving from south London to a 40.000 seater-stadium in Milton Keynes in 2003 and taking the name Milton Keynes Dons (MKD) in 2004

is possibly the most striking example.⁸ In the process the club was not only relegated from the Premier League to the third level in the professional league system. It was also left by its fans that reacted by establishing a new semi-professional club, AFC Wimbledon.⁹ The new club has attracted similar crowds to MKD which is mainly made of away fans unlike the AFC Wimbledon gates which are practically only home fans.

In the remaining of this paper we investigate the way some of the top clubs in Norway have approached the matter of dealing with their communities in this new era of professionalism. Against the backdrop of the financial crisis in professional football, the focus of the paper is on the nature of the club's recent LCR policies. What activities do the clubs direct towards the local sponsors and the public, and do the clubs approach their communities basically in a similar manner?

Data and methodology

In this paper we do the first comparative investigation into how Norwegian top clubs approach its community relations whilst at the same time trying to control its performance by appealing to business for revenue and competence. The data presented is taken from an ongoing project on the organization of top football clubs in Norway. Five top clubs are currently being investigated by a research group of altogether five researchers and assistants, using both primary (interviews with managers, coaches, journalists and "supporters") and secondary (documents, statistics, press cuttings etc.) data. The project is in its initial phase; hence data collection is ongoing in all the clubs and subsequently any analysis, including the one in this paper, is preliminary. It is important to note that the project and data collection are not constrained to the topic treated in this paper and that the clubs presented in this paper were not selected because they stand out, either way, in terms of community commitment.

⁸ http://www.answers.com/topic/milton-keynes-dons-f-c

http://www.answers.com/main/ntquery;jsessionid=75031ag0p9s5c?method=4&dsid=2222&dekey=AF C+Wimbledon&gwp=8&curtab=2222_1&sbid=lc04a

Local community approaches in Norwegian top clubs

What follows is a brief presentation of four of the clubs and their present approach in treating their communities, according to their spokesmen's accounts. The four clubs are Lillestrøm Sportsklubb (LSK), Sportsklubben Brann (SK Brann), Tromsø Idrettslag (TIL), and Aalesunds Fotballklubb (AaFK). In the spirit of football they are presented below according to the final 2005 league table. After the 26 rounds the respective clubs were placed 4th, 6th, 8th and 13th within a distance of 15 points.

<u>Lillestrøm SK</u>

Lillestrøm made it to the top in Norwegian football during the second part of the 1970s. In the period 1976-89 the club won the Norwegian top league four times and also brought home four FA cup trophies. In 2005 the club celebrates its 31st consecutive season in the top-flight, a record among Norwegian clubs.

Although Lillestrøm is often labelled "a small station town" it is situated in the most densely populated part of Norway, 15 minutes by train from Oslo city. Historically, the club is known for being an innovator in Norwegian top football since its management in the seventies and eighties introduced ideas about how to run a football club that were unprecedented in Norway. It was the first club to introduce semi-professional football (in 1985); was innovative in terms of generating new sources of revenue; and established modern procedures for managing a football organisation. For these reasons, Lillestøm has overall been the leading club in the greater capital region for the last 30 years.

However, during the last couple of years the club has been marked by stagnation. For three successive seasons the club has finished seventh in the top-flight before just missing the podium in the 2005 season. It has also run into economic difficulties. The revenues have not kept up with the expenditures, and its affiliated PLC has accumulated a significant debt. In the autumn of 2003 a local businessman took over the PLC and became the sole proprietor. The take-over was seen as friendly, and according to newspaper reports the investor had to be persuaded to do the bid by the club's directors.¹⁰ The club was desperate for fresh capital to

¹⁰ Nr.1 I Lillestrøm, Romerikes Blad, 3.nov. 2005

keep up with the other top clubs and singled out an investor that not only had a reputation for being successful in business, but had previously also played for the club.

The idea of the owner is to restructure the way the club is organised by establishing a more efficient and transparent mode of organising. What he sees is an organisation that for too long has been living on the reputation of yesterday's success. In his eyes the club must enhance its local reputation. "*People on the outside have perceived the club as closed and introvert, and we need to build a stronger identity towards the club among the people living in this area*", he contends. The area, Romerike, contains close to 250 000 inhabitants. So far the club has taken some small steps towards building a stronger community image. This includes making the club more noticeable in Romerike, improving transport facilities for home matches and trying to set up sponsorship arrangements with large companies in the community. However, its strategy of enhancing its community commitment is still in its infancy.

Traditionally Lillestrøm has been criticized for recruited players from most parts of Norway and for having few local players in the squad. In later years, there have also been many foreign players in the team. The last two years the club has had about 10 foreigners in the squad, among the highest in the top league (Aftenposten 12.2.2004). The club has applied different approaches to growing local players. In some cases young players has been farmed out to local clubs for a restricted period. In other cases the talent has stayed put in a local club but has been training regularly with Lillestrøm with the prospect of joining them permanently when the time is right. The club owner, together with another key person in the club, also provides financial support to some of the clubs at the second highest level in the region. In this way they want to express a genuine interest in improving the level of football in Romerike, to the advantage also for Lillestrøm. During 2005 the club also kicked of a strategy process, where attempt towards strengthen the community relations of the club is one of the issues in question.

Lillestrøm has recently rehabilitated its stadium, with new stands being finished in 2000, 2001 and 2002. The stadium also comprises a building complex and business premises, but the main task for the club is to attract enough spectators for the matches. In 2005 average gates were 7.700, but the capacity is more than 13.000. As reflected above, Lillestrøm's LCR approach is yet marked more by unfulfilled ideas than by forceful initiatives.

<u>SK Brann</u>

In SK Brann of Bergen, what is referred to as the "culture and reputation discussion" started in the summer 2001. According to the management, the background for what turned out to be a long-term process of discussing, disseminating and finally deciding on ideas and values, was the chatter among people in the city about the club's big potential. The more or less direct message in this chatter was that the club was not able to carry out this potential because of its dishevelled reputation. In both local and national newspapers and TV-media the club was more renowned for its management turnover and financial crises than for its sporting successes. Despite enjoying an uncontested position in Norway's next largest city, and known for its devoted supporters and fans, Brann has not won the Norwegian top league since 1963, and as late as 2002 the club was very close to being relegated. Throughout the country it is common to explain this gap between the club's potential and merit by referring to the mess that characterizes the internal relations in the club.

The mere fact that the culture and reputation project (CRP) is still alive in 2005 may turn out to be testimony of better times, at least in terms of management continuity. In fact, the duration of the incumbency of the present managing director (who arrived as early as 1999) is unprecedented, and in light of the events that have taken place in the latter years it is also remarkable. Besides being close to relegation in 2002, the club has been ridden by the usual bitter resignations of coaches and severe financial problems. In the pre-season 2003 the club withdraw from the agreement with its own indebted PLC, leading to the liquidation of the latter. Thanks to the Norwegian practice that the licence to play in the league cannot be transferred to the PLC, the club survived, kept the right to its players and, since the risk now was eliminated that money supplies would find its way down the debt gully, new sponsors were attracted. The intention was exactly that the CRP should improve the relations to the sponsors and the public.

The CRP came about rather incidentally. The club management was aware of the chatter, but found it a bit nagging. As it happened, however, the marketing manager and a neighbour that worked with branding started to talk about Brann's frayed reputation when standing by the touchline watching their girls play football. The chat ended with an invitation to the latter to meet with the club's commercial and sport management to talk over what could be done. The

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branding consultant used newspaper cuttings to convince the club management that even persons affiliated to the club took part in abusing its brand name. The club's legacy of numerous personal conflicts left the impression that there were people esteeming their own ego above the wellbeing of the club. Says the managing director; "we have been world champions in falling out. People have left the club with their faces blue from acridity".

When starting out with branding as the conceptual idea it is probably no surprise that the community work channelled through the CRP translates into improving public relations for the commercial promotion of the club. According to the managing director the intention is clearly "to take out the potential in pounds and pennies". The concern is clearly instrumental and not particularly idealistic although values such as honesty are meant to be extended to fair play on the field. Thus, the means is creating a reputation or culture, facilitated by an action plan, where the people in the club all maintain the same key values; enthusiasm, honesty, humility, determination and being inclusive. Whilst the process, according to the management, is more important than the result, the set of values, "released" in the spring of 2005, is the outcome of a long inclusive process in which players; fans, sponsors, previous managers etc. have been interviewed as well as participating in group work and discussions.

A contested theme over the last 30 years in Brann has been the use of local players in the squad, and on regular occasions Brann has been accused of ignoring its talent work and for not letting local talents grow through playing in the senior team. Over the latter years the approach of the club has varied in terms of developing local talent, being transformed in the last two years from the previous model of transferring young talents to Brann's own youth division to the present model of keeping and looking after the talents as well as their coaches in their local clubs. In this way Brann also wants to be present in the local clubs and communities in and around the city. Brann also runs a sports class for these players in collaboration with a local secondary school.

Moreover, the problem has for a long time been the lack of promotion for these players into the top squad, and the discussion of what the club is doing wrong tends to emerge again and again in the local newspapers. Despite the promises of the sports management that they want local talents to end up in the squad, there has been little progress over the last years, and given the high expectations for immediate success and the relative availability of funds to purchase new players, compared to most other Norwegian clubs, it is difficult to conclude that the recruitment of local players is pivotal in Brann's LCR strategies.

Similar to many Norwegian clubs, Brann also believes that a modernized stadium to be finished in 2008 will invigorate the activity around the club. The capacity on the stands will increase to 20.000 and the facilities for corporate hospitality will improve considerably. In the marketing department there are also hopes that the grass will be artificial because then the club can make the stadium an arena for gatherings and tournaments for children and sponsors as well as for the club's own teams.

<u>Tromsø IL</u>

Tromsø IL is the northernmost club in the Norwegian top league. It was promoted to the top division for the first time in 1985, and got the first real taste of success the following year when the club won the Norwegian FA cup. The number of inhabitants in Tromsø is close to 62 000 and the average crowd at Tromsø's home games was 5.000 in 2005. The county Troms comprises about 153 000 inhabitants. Tromsø is the regional centre of Northern Norway, hosting for instance the only university in the province.

Close to 50 per cent of the working force in Tromsø work in the public sector. This is an indication of the lack of private capital within the region, leading to Tromsø being less exposed than many other clubs to investors and business people. Tromsø has established a pool of sponsors that has been very loyal. However, there is a feeling among some club leaders that the sponsorships are "*too cheap*" and that there would be more to benefit from contracting large regional or national firms. However, the leaders are anxious that the flip side of this will be less loyalty among sponsors and that a domination of national sponsors can have a negative effect on their profile as a Northern Norwegian team.

Since it is difficult to get skilled Norwegian top players move from the south to the artic north, Tromsø, more than most clubs, has been forced to base their activity on home-grown players and talents recruited from smaller places in the province. To some extent the team has been complemented with skilled players from "cheaper" foreign leagues, such as Iceland, Finland and Canada, but Tromsø has also been successful in selling home-grown players to other European leagues. In total the club has earned a profit of about 13-14 million Euros between 1995 and 2005, and since Tromsø has no affiliated PLC the entire revenue has been used to a piecemeal upgrading of the stadium facilities and to running the club.

In 2001 Tromsø was relegated from the top league, but although it was promoted the next season, an understanding had emerged among its representatives that the club needed to strengthen its position in the region to keep playing in the top league. The club wanted to develop a more efficient and professional organisation and to attract more capital, knowledge, and supplies of young talent. This spurred the development of a comprehensive strategy process, kicked off in 2002. Like in Brann, a long and inclusive process in which the board, administration, players, coaching staff, sponsors and partners, volunteers and representative for the local and regional authorities worked out the three key values that is meant to saturate the club in the future: "pride", "team spirit" and "fair play". Club representatives promote the impression that the process and the subsequent action plan are deeply rooted in the club.

The leaders in Tromsø are aware that the club can be placed somewhere in between a business company and an organisation based on voluntariness and mutualism. Contrary to many other top clubs, Tromsø runs a large youth division. A key member of the organisation states that "we want to grow in members, we want to expand the youth division, and we want even more people working as volunteers for the club". The team, to a large extent, is seen as an extension of this mutualism as the club strategy states that the team "should mainly be based on players from Northern Norway". The club seems to live up to this ambition as 14 of the present 20 players on the roster are born in Northern Norway. 9 of these joined the club already as a kid or youth. To secure the supply of local players the club has intensified its scouting. An experienced talent scout asserts that "we have now complete knowledge about all the talented youth in the north of Norway". The leaders also emphasise the importance of maintaining a good relationship to minor clubs in the region, for instance by playing practice matches at smaller places, having their players visit local events, and, to some extent, sharing their knowledge with local clubs. Underneath lie the idea of building trust and a positive image to benefit the club any time a talented young player in the region decides about his next career move, but also, in the spirit of mutualism, that the club makes their adherents proud of the region and Northern Norway.

During the last couple of years Tromsø has also turned its eyes towards the extensive research environment in Tromsø. The club wants to be a front runner when it comes to developing "*a*

training and learning milieu" and has approached local knowledge institutions to learn more about physical training and testing. In addition, people at the university have been important in constructing and providing a knowledge base for the strategy process.

Aalesund FK

Until 2002 Aalesund was known as the largest Norwegian city that never have had a team in the top division. Towards the end of 2002 it was clear that this situation would come to an end. Aalesund FK was about to being promoted, as it was again in 2004 after relegation in 2003. The story behind what appears to be a great local sporting success (despite relegation again in 2005) is very much a story about the relations between the club and the community. As late as 2000 Aalesund was playing at the third level (2nd division) in the Norwegian leagues hierarchy. Despite being the dominating city in a region with a population of about 250.000, throughout the1980s and 90s the club was typically oscillating between the second and third levels, fighting hard to be only the third best club in the area. More than once, the club also had severe financial problems, and as late as 1994 it was very close to bankruptcy. Up till the second half of 2002 the club management was happy with 7-800 gates for league matches. The club was not much beloved, neither in the city, in the suburban areas, or in the region at large: Says the then sport manager: "*We were happy with a crowd of 700, although we knew 300 of them came to see us lose*".

In April 2005 the club inaugurated its new 11.000-seater stadium. In the pre-season more than 7.500 season tickets were sold, and throughout the first season, despite fighting at the bottom end of the league table, almost every home match has been a sell-out. Can this enormous contrast to the situation three years earlier in terms of community appeal be explained solely by the promotion to the top league?

In the winter 1999 the club brought in a sports manager that was well qualified in sporting matters (he had been an assistant coach in Molde FK when the club had two successive runner-ups behind Rosenborg in 1998-99 and had for a long time been involved in the FA training education); had played for the club; and had his roots in the part of the community that was rather hostile to Aalesund. Already, the chairman of the club came from outside the ranks of the "clan", but he was born in the vicinity of Aalesund and was well acquainted to the low standing Aalesund had, particularly outside the city itself. These men, backed up by

the new head coach (with no local roots), developed a policy to reduce the hostility towards Aalesund. The idea was that there was no other club with the same economic potential in the region. Hence, rather than fighting each other (unless on the pitch) the clubs should cooperate to create a top club in the community. It was all about developing a team model and extending the idea of teamwork to stakeholders in the community.

In contrast to what was previously the case, players, coaches and representatives started to contact and visit other clubs in the community. And instead of directing what the smaller clubs should do for Aalesund, it was asked what Aalesund should do for them. Small practical arrangements were carried through, such as providing players to do instruction at children's football schools in the community and inviting the coaches and representatives of the other clubs to impulse and training sessions. Gradually, the previous scepticism and hostility (grounded in the experience that when Aalesund was interested in local clubs it was only to recruit their players), gave way to relations more based on mutual trust and hospitality.

It is interesting that Aalesund, as part of this process, did not cultivate the recruitment of local players to the squad as a strategy for attracting larger crows. This is not to say that the club in the long run is not interested in prioritizing local players. However, in the short run, and in the eyes of the coach, many players with these characteristics obviously have not been available locally. Since the club's challenge has been to stabilize its performance on a higher level, its problem has been to attract players that are not only talented but also possess the required stamina and determination to play at the highest level in Norwegian football. To find these players some locals were rejected whilst others were bought from other national and international clubs. Thus in 2005 there are fewer locally grown players in Aalesund than there were in 2003. This is only part of the picture, however. From 2000 the club revitalized its co-operation with the sports class at a local secondary school. The club interfered with coaching expertise and better follow-up of the players. It is hoped that this class will be a means to recruiting more local players in the long run.

In addition to improving the relations to the local clubs there has been another pillar in Aalesund's community policy that most likely has improved its popularity. The club is embedded in a business culture based on a legacy of industrious yet internationally oriented entrepreneurs and businessmen creating businesses from their own hard work, risk-taking and stamina. In this culture there has been little space for entertainment and pastime, and whilst

the many local football clubs always have attracted some funds from sponsors as part of the sponsors' community policies, local businesses have hesitated to use huge funds in football. The image of professional football as consisting of over-paid young play-station-playing players obviously clashes with the industriousness of the local business culture of which Aalesund depends for revenue. When Aalesund launched a semi-professional model, requiring that their players study or work part-time, it was most likely not developed as a clever move directed at aligning the club's policies and practices with local cultural values with the intention of attracting more revenue from local sponsors. It is more likely that the model was the upshot of the combination of a management that was embedded in this culture and the reminder found in the backdrop of the financial problems in many of the top clubs in Norway around the turn of the millennium. It must also have been a reminder against the experience of financial trouble in Aalesund in the first half of the 1990s, the memory of which is not forgotten by the chairman of the PLC that has been chairing the company since it was set up as part of the rescuing operation in 1993-94. The philosophy, in any case, was that players was better off both mentally and in terms of preparing for a life after football if they exchanged some of their free time for jobs or studies.

While the philosophy of the semi-pro model has been appealing to the local business community, it probably also has had the effect that the players mingle more with the citizens, at colleges and workplaces. The model is challenging for the club since it has to find employers that agree to employ their players on a, say, 30 per cent basis, yet with irregular working hours, but the upside is the strong connections that is made between the club, the employers and their workforce. It is beyond doubt that sponsoring and supporting the club has become much more accepted, not to say popular, in the business community.

LCR strategies – responses to institutional or economic pressures?

Like any professional club, irrespective of historical era, the clubs presented in this paper are all ambitious in terms of working hard to improve their performances on the field and climb up the league table. To this end all the clubs are looking for ways to boost their revenue as a means of improving the squad and the support of the team, as much now as in the 1990s. Two of the clubs still lean heavily on PLCs, but there is no indication that the proprietors expect any dividend. Compared to the late 1990s the expectations of the investors are much more down-to-earth. In both of the clubs running PLCs the investors (one in Lillestrøm and a multitude in Aalesund) themselves are living in the community. In the case of Brann and to some extent in Tromsø there are local investors involved in player investments. This form of financial support is most widespread in Brann, despite the explicit information given by the sport manager to the investors that this business is too risky to expect any (financial) return on investment.

Whereas governance structures obviously can be very important for the relations between the club and the community, in this context we focus on other projects and activities that the clubs have initiated to deal with its community relations. It is obviously a problem to isolate specific activities as pertaining particularly to LCR. In organizations interactions with the environment is taking place continuously, regardless of formal strategies or high profile projects. Table 1, which summarizes the different types of LCR strategies that have been identified, denoting X for high visibility and (X) for less visibility at the time of data collection, must be translated against this background. Empty boxes on some of the strategies are not necessarily equivalent to failure on behalf of the clubs denoted. On the contrary, clubs that already have developed close relations with community constituents may not find it worthwhile to set up new LCR projects.

	Lillestrøm	Brann	Tromsø	Aalesund
Strategy project	Х	(X)	X	(X)
Local players' policy	(X)	(X)	X	(X)
Stadium facilities	(X)	X	(X)	Х
Public relations project	(X)	X		
Club relations project	(X)			Х

Table 1: LCR strategies that mark out the clubs at the time of data collection.

Table 1 summarizes the LCR strategies in the four clubs. The table indicates that if there are isomorphic institutionalization mechanisms involved in the approaches of the clubs, these may be particularly strong in three areas; formalizing strategies; showing (off) a local players' policy; undertaking stadium planning/improving stadium facilities. All clubs are involved in strategy processes or their representatives refer to prevailing formal strategic documents that have relevance for LCR. That Lillestrom and Tromsø is involved in strategic processes at the time of data collection is perhaps only accidental, but still Tromsø is marked out by including

local community constituents in the process to a larger extent than the others. This is interesting since Tromsø also is the only club that has not set up an affiliated PLC.

Moreover, all the clubs also have some local players' policy, materializing in (partly) running football academies at local secondary schools and/or setting up agreements with local players and their clubs. We have not specific details on how much money the clubs spend on these initiatives, but in general the spending is are modest when compared to the funds used on purchasing new players through the season. It is probably fair to say that the issue of featuring local players in the squad has been institutionalized in the local contexts of most Norwegian clubs long before the issuing of the new UEFA academy plan. However, it is probably also fair to suggest that the issue has been contested, with some fans adhering to the club shirt rather than to the geographic background of the player wearing it as long as the player in his play and in lip service shows his respect for the club. The contested nature of the issue leaves the club in a position in which it can choose a compromising strategic response (cf. Oliver 1991), thereby trying to balance between conflicting pressures from constituents. Consequently, a convenient strategic response is to have a policy on the local player issue while at the same time dealing with it rather pragmatically.

Table 2. Local players in the squad 2000 – **2005** (absolute numbers, percentage of total numbers of players in the squad, *and share of the total playing time*)*

	2000	2001	2002	2003	2004	2005
Lillestrøm	7 - 28% -28%	5 -23%-29%	7-26%-33%	10-40%-34%	9-36%-32%	8-29%-22%
Brann	12 -44%-30%	11-39%-30%	14-44%-47%	17-57%-44%	14-47%-37%	14-50%-28%
Tromsø	14 -56%- 63%	13-46%-43%	**	16-64%-63%	12-57%-60%	13-43%-46%
Aalesund	**	**	**	15-65%-58%	**	13-46%-38%

Note*) A player is denoted local if his mother club is situated within the county of his present club. A mother club is defined as the club the player played for as junior player (aged 17-19), or the first club where he plays senior football if he is introduced to senior football before reaching the junior age.

**) Numbers are not available since the club was outside the top division.

Sources: www.vg.no, www.aftenposten.no, The respective clubs' web sites.

Table 2 gives an indication of the representation of local players in the respective teams. It shows that one club stands out in terms of putting their effort into recruiting and featuring local players, namely Tromsø. The team has played with at least 40% local players in the seasons 2000-5, and for several years the local representations has been more than 60%. For Lillestrøm and Brann the average is all over much lower, but it is notable that the seasons 2002-3 when Brann is ridden by huge conflicts and serious economic troubles, the use of local players increases remarkably before returning to a more "normal" level in 2004 and 2005.

This could be taken as a testimony that when the economic conditions worsen clubs can strike a different balance between keeping their budgets and yet attain legitimacy in the local context. Aalesund is yet another example. In 2003 local players features very highly in the team, but the use of local players drops in the following seasons, including 2005. This happens in spite of the club's relegation in 2003, but as the club is promoted again in 2004 and a new stadium is set up, to a large extent with the help of a local business magnate, the club's finances are overall promising. In the seductive climate of the clubs historical success, there are few voices that put the local players question very high on the agenda. In fact, the head coach at one instance during the season asks the board whether it is comfortable with the fact that in one league match the team is almost ridden of local players. Even this did not provoke any debate, however.

When Tromsø "outperform" the other teams in featuring local players the answer is most likely rooted not so much in a higher institutional pressure in its local context, but in the lack of available business capital (or at least the idea that it is lacking) in the region. This has led the club to base their activities more on voluntarism and on recruiting and growing local players, something that is proved in practice. It seems then that the pressure to base their team on imported players is much less than in the clubs in South Norway where capital is more readily available. Based on Tromsø's quite good record in the Norwegian premier league, questions can be asked about the efficiency gains of choosing the compromising strategy that the other clubs have tended to follow in their practice.

Arena development, or construction, has been an issue for quite a long time in Norwegian football, and the immediate successes of these clubs that have built new stadia or modernized their stadium has added to the more coercive type of institutional pressure that is enforced by UEFA and the Norwegian Football Association when licensing stadia for play in the UEFA cups and the premier league respectively. There have been differences in the factual stadia projects in the clubs, pertaining to variance in which and what kind of constituents they have been able to mobilize in investing in the stadia, but all over stadia development stand out as a highly institutionalized strategy.

The other LCR strategies that we have identified in the clubs appear to be less institutionalized in the sense that they do no permeate the fields of all the four clubs. They illuminate that clubs can add to the effort put into the other more institutionalized strategic responses, and that there are connection between them. In Aalesund, for instance, the success of the low-profile but yet very successful club relations project and in fact the semiprofessional model seems to have paved the way for the new stadium. In Brann it seems that it was the urge for breaking history that created the receptivity in the club for the culture and reputations project. Even though the club hires a consultant to run the project it was not really picked up from an organization that is part of we would normally think of as the club's network, and the initiation of the project was also rather incidental. In Lillestrom the initiatives do not appear very "projectified" this far, yet some measures are being taken that may turn out to be successful like they were in Aalesund.

Conclusion

Taken together it seems to be a reasonable conclusion, if yet preliminary, that the LCR strategies of clubs to a large extent reflect institutionalized ideas and even regulations about how modern professional football clubs in Norway must behave. This explains the similarities in addressing strategic planning, stadium development, and local players' policies, although the latter represents an institutional pressure that the clubs can balance against another pressure; the pressure to win and doing better at the league table. We also see, however, that the clubs can initiate projects and measures that are not so directly defined by institutional coercion, norms imposed on them or plain mimicry. Professional football can be seen as a meta-organizational field in which institutional pressures on the clubs arise. However, within such a meta-organizational field there are also many layers that in the end present the focal club with the discretion to relate to its community in a specific manner.

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