

Sports and Business in a Swedish Football Club

A case study on Örebro SK

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Abstract

One must not forget that we are working with people, we cannot simply purchase a more powerful engine.

The quote from an employee in our case organization emphasizes the human aspect in football operations, cautioning against the belief that acquiring superior resources guarantees better performance. This sentiment resonates in the context of football's evolving landscape, where the traditional focus on sports excellence contends with the growing commercialization of the sport. This shift poses challenges for sports organizations aiming to balance on-field success with financial stability. Our study delves into this intersection, building on previous research and addressing a gap by examining how a club, particularly one facing financial constraints, navigate crises resulting from unsuccessful recruitment strategies and relegation. As football organizations transition into a more commercialized and professional realm, the study of institutional logics becomes crucial. Previous research, exemplified by Carlsson-Wall et al. (2016), identifies the coexistence and conflict between sports logic, emphasizing on-field success, and business logic, emphasizing financial stability. Our study has explored this interplay in the specific context of ÖSK Football, focusing on decision-making processes during challenging periods. We found the prioritization of the sports logic to cause financial distress whereby the organization unconditionally prioritizes the business logic.

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Keywords: Institutional logics, Football, PMS, Compromising, Commercialization

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1. Introduction

One must not forget that we are working with people. We cannot simply purchase a more powerful engine, even if it's a new model, and be certain that we will be able to produce more and better. While it's true that better players create better conditions, it's not enough to be the best team on paper - Sportadmin

Historically, the primary goal of a football club has been to satisfy fans and supporters by achieving outstanding sports results. However, in recent decades, there has been a surge in the commercialization of professional football, creating a complex situation for sports organizations. They strive to fulfill their main objective of achieving high sports results while also generating financial stability and success. Today, sports organizations have diverse income streams, including ticket sales, sponsorships, merchandise, and broadcasting rights. Generating stable revenues has become increasingly crucial to support their sports accomplishments (Stewart & Smith, 2010).

As sport organizations have shifted to become more commercialized and professional (Cordery & Davies, 2016) while simultaneously being expected to deliver first-class results (Fahlen & Stenling, 2016), researching the balancing of institutional logics within an elite sports organization is therefore highly interesting. Stewart and Smith (2010) describe the tension and conflict between different demands, as sport fandom:

...consumers and clubs will, for the most part, weight wins and trophies more highly than a healthy balance sheet(p.5).

Moreover, Nielsen and Storm (2017) suggest that in football organizations the best possible sporting results are superior to any other motives.

For example, Carlsson-Wall et al. (2016) studied the role of performance measurement systems within a professional Swedish football club and how management on the basis of performance measurement systems (PMS), compromises between different institutional logics. The authors identified two main institutional logics in their case organization, the sports logic which demands on-field performance and success in sports and the business logic which demands financial stability and off-field performance. The authors demonstrate how the compatibility of logics is not only dependent on the organization or field but also on the specific situation within the organization. Their results show how the relationship between logics is situation-specific, and that logics may either be in harmony or conflict and when in

conflict, management will utilize the information from PMS to compromise between the logics.

Looking at the competition between the two institutional logics when the organization faces a sporting crisis is highly interesting as to understand what actions they are taking and how PMS are used to inform management before making decisions in different situations.

Researching specific decision-making situations where a club faces negative results or has limited financial resources is of great interest to further understand the conflict between the logics as it is within these situations logics are transferred into actions (McPherson & Sauder, 2013).

As well as the interaction between accounting and sports still has great room for being researched,

We believe that the intersection between accounting and sport remains under-explored and holds great potential for productive future research.(Andon & Free, 2019).

As well as football, from an accounting perspective, is a little researched area and room for further insights exists (Jeacle, 2012). Researching a football organization which constitutes a cultural form which operates in a business-like environment due to commercialization and corporatization (Steward & Smith, 2010) i.e. operates under “Institutional complexity” with competing demands (Carlsson-Wall et. al, 2016) is of great interest to further build upon the research on situation-specific compromises between logics.

There are some studies that have examined the intersection of accounting and sports, and we will further build on the work of Carlsson-Wall et al (2016). However, we observe a research gap in this area. Specifically, what has not been explored is the comparison of different clubs with varying financial conditions, and more importantly, the aftermath when attempting to recruit one's way out of a crisis proves unsuccessful. The situation that arises after investing everything, yet the outcome does not align with expectations. Therefore, our study aims to address this gap by focusing on a smaller club with less robust financial resources, facing the situation where attempts to recruit out of a crisis have not succeeded. As such, our study seeks to answer the following research question: *How has the commercialization and professionalization of football influenced the business logic within football, what boundaries*

are set and how does a football club prioritize between the emerging business logic and sports logic?

To address this, we conducted a single case study on Örebro SK Fotboll, a Swedish football club engaging in both men's and women's football. We have chosen to concentrate more on the men's team, as they were relegated from Allsvenskan in the 2021 season and have not yet managed to return. We examined the seasons 2021, 2022, and 2023, observing that the club is in three different stages. Our methodology involved interviews and supplementary document analysis from Örebro SK Football.

2. Previous research and Literature

2.1 Accounting and sports

2.1.1 Performance management and Control in sports

Many parts of accounting procedures in sports organizations are similar to those in normal corporate organizations because of the enhanced professionalism, commercialization and resulting demand for resources. Planning and strategy, financial management, human resource management, and performance measurement are a few examples of these.

Comprehending the business of sport requires understanding of accounting issues relating to accountability, performance management and control which are equally important to grasp as in any other industry. However, in sports enterprises, there may be conflicts between financial success and athletic achievement due to specific characteristics such as conflicting logics, distinct temporal rhythms, cultural and symbolic meaning, and strong emotional ties (Smith & Stewart, 2010). Due to these distinctive features, the sports industry presents an intriguing context for the expanding body of study in the areas of control, performance management, and accountability (Andon & Free, 2019).

As a result of football clubs' dual nature of being subject to multiple institutional logics which presents managerial challenges as management faces multiple demands from institutional logics, scholars have described them as hybrid organizations (Carlsson-Wall et al., 2016; Gillet & Tennet, 2018; Jacobsen, 2023). Even though sports organizations are subject to numerous institutional logics, Gillet and Tennet for example found football clubs to be subject to three logics; commercial logic, public logic and a third logic which is characterized by sporting achievements while they also propose a new logic, the professional sports logic. Fahlen and Stenling (2016) argue that there is an order of logics and that the market-oriented

logics are more prioritized emphasizing winning and financial success. The same has been documented by Carlsson-Wall et.al (2016) who found two prominent logics, the sports logic which demands on-field success and sporting results and the business logic with a demand for financial stability. Due to football clubs' hybridity the organization find themselves in a position where they have to maximize both on and off-field performance.

Previous research has acknowledged football organizations as hybrid organizations with multiple institutional logics, especially the sport and business logics and that there may be a correlation between the two. Carlsson-Wall et. al (2016) researched and analyzed the role of performance measurement system in managing the coexistence of different institutional logics and demonstrated how managers make use of PMS for compromising. They found that the degree of compatibility between logics varies not only between fields and organizations but also in different situations within the organization. Moreover Carlsson-Wall et. Al (2016) demonstrates how the sports and business logics are in some situations competing while in other situations compatible. Their findings suggest that there are “situation-specific compromises” by showing that in some situations the cause-effect relationship between the sports and business logics is somewhat unambiguous in the sense that a given course of action will favor both, favor none or only favor one of the sports and business logics in that situation. In situations when the club performed very well sportingly or opposite very badly, the given course of action in the situation was regarded as in line with both the sports and the business logic. The second variant the authors present is where the cause-effect relationship between the two logics is ambiguous such that it presents difficulties for organizational actors' in assessing the actions linkage to the logic. The relationship between logics is ambiguous when it depends on how actors interpret the consequences for actions relating to said logic. The authors give an example where the club is considering building a new stadium where the business logic may either be supportive or challenging of the decision depending on the interpretation of the logic in that specific situation.

In another study of a Norwegian football club, Jacobsen (2023) analyzes how her case organization face multiple institutional demands, and how the organization manage competing institutional logics, in order to prevent financial distress. She found the organization to be subject to two institutional demands, the business logic and the sports logic with separate performance measurement systems, the business logic focused on financial viability while the sports logic demands sporting performance with a goal to play in the top division. Her analysis shows two periods where one of the logics was prioritized over the

other, where in the first period, the sports logic had the upper hand which brought financial problems as their goal and ambitions increased their costs to a level beyond what organization could handle. This led to financial distress for the organization and a change within the organization and a prioritization of financial performance, that is in period two the business logic was emphasized. The results in the second period suggest sporting performance does not necessarily affect the compatibility of the logics rather that the business logic appears to be the dominating and prioritized logic and that the sport logic is only prioritized in situations with satisfying financial conditions. Even at the risk of relegation financial viability seems to be prioritized over sporting performance and the sports logic.

Financial distress and financial control and the challenge to balance sports and business in European club football has been a growing body of research (e.g. Carlsson-Wall et al., 2016; Jacobsen, 2023; Storm, 2012). Storm and Nielsen (2012) researched the influence of soft budget constraints on financial management and its implications for on-field performance. The authors suggest that European football clubs are seen as socially “big” and therefore are “too big to fall” as they face a situation where investors, public authorities and banks will provide money and bail the clubs out in case of financial problems. This leads to European football clubs operating with the expectation of being saved ex post in case of financial problems and therefore operate under soft budget constraints. Drut and Raballand (2012) studied the influence of financial regulations and suggest that clubs that have the possibility to operate with deficits i.e. a soft budget constraint have better sporting results than clubs operating under hard budget constraints. Bertheussen and Solberg (2022) presents and reflects on two paradoxical financial viewpoints; that football clubs continue to overspend even when revenues continue to grow, and second that football clubs rarely go bankrupt despite operating under deficits. Storm and Nielsen (2012) also point to the fact that European football is characterized by high survival rates as they expect to be bailed out or saved ex post financial problems. Football clubs usually behave as though they have no books to balance and that suffering financial losses won't endanger their existence, which suggests that they are operating under soft budget constraints (Storm & Nielsen, 2017). Football clubs' expectation and belief that they will be bailed out or saved ex post financial problems affects the incentives of management in football clubs (Franck & Lang, 2014).

2.1.2 Commercialization and professionalism in sports

There is no question that sport has become more professionalized and commercialized in the past years or even decades (Smith & Stewart, 2010). Commercial influences have

significantly changed sports and the global sporting landscape and professionalized sporting organizations at elite levels. This is visible and reflected in substantial sponsorship, broadcasting and funding sources available as well as the opportunities for athletes to leverage their talents for significant financial return, improvements in player conditioning, training and welfare. The professionalization and commercialization of sport is also reflected in major investments in sporting facilities, sporting events and the growing markets of merchandise and collectables for sport organizations (Cordery and Davies, 2016). Other changes that point to the commercialization are the massive increase in player salaries and recruiting costs and its effects on the management process in professional sport. Players are treated as assets and their transfer fee will be amortized over the contract of the player using straight line depreciation where the amortization sum will be treated as an expense (Smith & Stewart, 2010).

Oakley and Green (2001) demonstrated close to two decades ago how national elite sport development systems around the world were starting to look more homogenous as a result of adopting business models to manage their sporting enterprises. And in conflict with the managerial drive in sport for more revenue and improved efficiency, many sport fans continue to argue for the prioritization of on-field success above business and profit-seeking activities. Sport fans claim that the commercialization of sports and the prioritizing of financial success has diminished the inherent value of sport and its social utility. (Smith & Stewart 2010).

As a result of the corporatization of sport,

professional sport is embedded in a fundamental structural and operational paradox which creates difficulties for its management at every strategic decision as the commercialization of sports and the following corporatization is a two-edged sword.(Smith & Stewart, 2010, p.11).

On one end it presents opportunities for sport organizations to enter new markets by changing their shape and features while on the other it is in direct contrast to the traditions that made sport attractive to fans in the first place, the on-field priority. So, while winning is still sovereign and most important in sport, there is a growing recognition that revenue and profits, and the resources that money attracts, are the key to a successful performance (Smith & Stewart, 2010). As well as previous literature suggest that winning is the quickest way to profitability (Smith & Stewart, 2010; Carlsson-Wall et.al, 2016), for example Jacobsen (2023) found in a Norwegian top-

division club that their promotion was financially beneficial as it led to significantly higher revenues but that the club still stayed loyal to their strategy by prioritizing financial performance. It would then suggest that both goals could be met through an interdependent managerial strategy that builds a strong platform of quality resources to achieve on-field success. Overall, the commercialization of sport has weakened the contrast between performance and tradition, as well as between winning and profitability. (Smith & Stewart 2010).

The commercialization and professionalism in sports organizations and in football clubs is also visible in the configuration of the board. Jacobsen (2023) finds that prioritization of sporting performance led to financial distress and a change of board members in the club. The organization, most prominently the CEO together with the election-committee made a strategic decision to form a new board of directors solely of people with a background in business and avoid people with a history in the club or with only sports and football knowledge. The aim was to construct a board with people guided by values, beliefs, and rules suitable for staying financially viable and prioritizing business principles and financial performance over sport performances. The threat of financial distress contributed to the understanding and acceptance of lower sporting ambitions in the club. The new board now worked with meeting their financial obligations and slowly built the clubs credibility and focusing on resigning and signing new partners while building a local profile with solely hiring local players and engaging the local community (Jacobsen, 2023).

2.2 Institutional Logics and sports

2.2.1 Institutional logics within football

As described previously, scholars have categorized football organizations as hybrid organizations facing multiple institutional demands. Sports organizations consequently face a special dynamic in which they primarily must simultaneously maximize on- and off-field performance while also attending to the demands from other stakeholders and logics as the public/sports-for-all logic (Gillet & Tennet, 2018; Fahlen & Stenling, 2016)

Fahlen and Stenling (2016) establish three distinct logics which they find inside Swedish sports organizations. These three logics include the results-orientated logic, which emphasizes on-field performance and results, the sport-for-all logic, which fosters democratic, social and moral values, and the commercialization logic, which places a strong emphasis on financial performance and results. The authors find that these three logics may

clash and that organizations are pulled between ambiguous goals and purposes as they cannot fully adhere to any of the logics as they would miss out on institutional rewards from another logic (Oliver, 1992). The authors show how stakeholders and individuals who try to influence the organization in becoming more results-orientated logic and prioritize on-field performance, do so at the cost of another logic and its principles like inclusion and democracy or financial performance. The sports-for-all logic is guided by policy documents fostering democratic, social and moral views according to the values conveyed by RF, Riksidrottsförbundet. The logic is driven by the sports movements itself and its members where the organization's goals are to improve the sporting performance of each individual and simultaneously to teach members values of a democratic, social and moral character regardless of sexual orientation, age, gender, ethnicity or religion. This logic emphasizes the democratic elements of sports, which may conflict with the other logics criteria of effectiveness for on-field performance and financial performance. At its core, the commercialization logics criteria for effectiveness are financial criteria's such as turnover and to increase the exchange value of sport by generate money through various business activities, at the expense of the other logics and their demands. (Fahlen & Stenling, 2016).

The authors argue that Swedish sports organizations have activities in elite, professional, amateur and broad fields which places multiple demands from different institutional logics upon the organization and that the demands resemble the idea of dominant logics (Bettis & Prahalad, 1995). Fahlen & Stenling (2016) propose that there is an "order of logics" in Swedish sports as a result, as some logics may offer more rewards or be simpler to follow than others. Sport organizations face difficulties or may not even have a measuring tool to evaluate their improvements in goals originating from the sports-for-all logic whereas it is simple to identify whether a team has won championships or seen an increase in revenue for a certain year. Thus, they claim that Swedish sports organizations arrange their activities in favor of the market-oriented logics because of the order of logics, putting greater emphasis on winning and financial success, and deprioritizing the sports-for-all logic.

Within Swedish football organizations, Carlsson-Wall et. al (2016) found the sports logic and business logic to be the most prominent,

the sports and the business logics are the most visible ones within the organization and, importantly, they are prominently enacted, and thus made relevant, through both the organization structure and the performance measures in place. (Carlsson-Wall et. Al, 2016, p.51)

Jacobsen (2023) found the same in her Norwegian case organization,

Relevant to the study, the interviewees focused on two main institutional demands, which appear to be at least partly competing. Most of the interviewees emphasized the importance of preserving a healthy financial situation and not spending more money than the club can afford. This institutional logic suggests that Nordic FC's sporting ambitions are guided by the financial situation, this institutional demand is "business logic."

The other main institutional demand identified, termed "sports logic," refers to Nordic FC's core activity – sporting performance. The sports logic is, for example, expressed in their main goal: to play in the top-division(p.10).

2.2.2 Managing tension between institutional logics

In relation to the multiple institutional demands football organizations are subject to, Carlsson-wall et. Al (2016) raises two significant concerns regarding this multiplicity of demands affects organizations. The first question is if the multiplicity of logics creates a situation where the organization faces competing demands. There would be no problem for organizations regarding the multiplicity of logics if the institutional demands are fully compatible. That is if a decision or action favors both of the logics so that there is no tension or competition between the logics, then organizational actors do not have to be concerned by none of the logics. Jacobsen (2023) found in her study the business logic to be the prominent one setting the terms. Her findings demonstrate that the business logic is the one guiding the organizations actions and that the sports logic both accepted and even supported the prioritization of financial performance and the business logic. This led to the logics being compatible and able to coexist. Her findings would suggest that the business logic is the dominant logic through which data is filtered and incorporated into the strategy, systems, values, expectations and reinforced behaviour of the organization (Bettis & Prahalad, 1995). However, if contrary so that logics present conflicting demands that requires different decisions and actions to adhere to the demand then the incompatibility would present a managerial challenge. The second question that Carlsson-Wall et.al (2016) then presents is how these different institutional logics and demands can be managed. As Swedish sport organizations have institutional rewards to be gained by adhering to each of the logics, but as they are unable to fully adhere to any of the logics they are in conflict between ambiguous goals and purposes (Fahlen & Stenling, 2016). Fully adhering to one logic would result in the disruption of institutional rewards offered by other logics and institutions (Oliver, 1992). Swedish sports organizations are therefore subject to a struggle between logics where the

management has to address these incompatibilities and demands from different logics. Management can use various strategies to address these incompatibilities and manage their institutional complexity.

One strategy to manage institutional complexity and different demands from logic is to manage the organization with adherence to one logic including its values, objectives and practices and only symbolically adhere to other logics (Pache & Santos, 2013). This strategy, Decoupling, has a long tradition within the field of institutional theory and has been heavily discussed (e.g., Meyer and Rowan, 1977; Tilcsik, 2010; Boxenbaum & Jonsson, 2008). Decoupling has historically meant the procedure where organizations separate their prescribed and operational structures (Meyer & Rowan, 1977). As a result of decoupling there is a gap between symbolically adopted policies and actual organisational behavior which organizations maintain using this strategy (Tilcsik, 2010). In a decoupling strategy, there is a difference between what the organization claims to be concerned with and what it actually does (Brunsson, 1989). Decoupling is mostly used when organizations face external institutional demands opposite to internally institutionalized practice. In these situations, organizations may symbolically adopt the policy suggested by external stakeholders while actually pursuing a strategy that is consistent with their own internal practices and goals. A decoupling strategy improves an organization's likelihood of surviving since it avoids disagreements between internal and external stakeholders from increasing and serves as a protective mechanism to reduce risks to its legitimacy (Boxenbaum & Jonsson, 2008). Decoupling could also be situation-specific where an institutional demand is placed upon the organization and the organization would symbolically adhere and respond to this demand while keeping most of its practices intact. In order for a decoupling strategy to be successful all internal members must adhere to the same logic and be willing to protect it and that external stakeholder demands in relation to a logic can be adequately met by only adhering symbolically to that logic (Pache & Santos, 2013).

Another strategy to address and manage institutional complexity and institutional demands in an organization is by using “compartmentalization” or also known as structural differentiation. Structural differentiation entails dividing the organization into different subunits where the subunits act independently and according to their institutional logic (Greenwood et. al, 2011; Kraatz & Block, 2008) Which in practise means that the subunits act in accordance with different institutional logics (Greenwood et.al, 2011). This strategy to deal with institutional complexity lowers the number of situations where the organization

faces more than one demand at the same time which simplifies the work for the manager in regard to decision making and efficiency (Carlsson-Wall et.al, 2016). As the subunits are part of the same organization there is a need within this strategy for some sort of integration between the different units as when structurally differentiating the organization may highlight the necessity of cooperation (Greenwood et. al, 2011). The necessary and needed integration will be required when interdependencies between the units emerge, where decisions or actions in one unit will impact and affect the other unit. Furthermore, due to the fragmented organization caused by structural differentiation as a response to institutional complexity, effectiveness and cooperation may suffer (Greenwood et. al, 2011). Thus, structural differentiation will imply the need for some compromise at the organizational level when, for example, allocating resources between the units.

Finally, a third strategy to tackle institutional complexity and institutional demands is using compromising. Compromising is a strategy where the organization forfeits full adherence to one logic in order to partially satisfy the demands from another logic (Kraatz and Block, 2008, Pache and Santos, 2013). This strategy intends to create a balance between the conflicting expectations posed by the different logics and external stakeholders (Oliver, 1991). Compromise can be achieved through three ways (Pache & Santos, 2013), firstly it can take place through conforming to the minimum standards of what is expected. Secondly, by combining elements of the opposing logics to create a new behavior and thirdly by bargaining with institutional referents to alter their demands. Compromising can be more or less structural in nature, similar to decoupling: a structural form of compromising is combining components from different logics which makes the organization able to adhere to multiple logics but compromise in the sense that it does not implement all elements corresponding to a logic (Carlson-Wall et. al, 2016). However, compromising can be situation-specific as well, situations will emerge where compromises based on the situation will have to be made (Carlsson-Wall et. al, 2016). A compromising strategy could therefore enable hybrid organizations to partially attend to the demands of all institutional referents, and by doing so minimizing the risk of losing the support of actors representing either of the competing logics demands (Pache and Santos, 2013).

3. Method

This section aims to clarify and provide explanations for the methodological decisions undertaken throughout the course of this thesis. This elucidation will encompass four key domains: research design, data collection, data analysis, and considerations of data quality.

3.1 Qualitative research approach

Qualitative methodologies, which enable researchers to delve into the viewpoints of both similar and diverse groups, aid in unraveling the varied perspectives within a community. Given the relational nature of social capital—it is built upon interpersonal relationships—posing questions and hypothetical scenarios to a group of individuals collectively may provide insights that are more nuanced compared to data obtained from surveys (Dudwick, Kuehnast, Jones, and Woolcock, 2006: 3). The key advantage of employing a qualitative approach in cultural assessment lies in its capacity to delve into underlying values, beliefs, and assumptions. To attain a comprehensive understanding of an organization, it becomes imperative to grasp the driving forces behind their actions (Yauch and Steudel, 2003: 472). Since the thesis seeks to explore questions such as "How?" that require a more profound and comprehensive comprehension of structures and processes beyond what a quantitative approach can offer (Silverman, 2010). In order to address our analytical question, mere numerical data falls short in offering the same depth of insight as a qualitative approach can provide. Given the absence of prior research on sports hybrid organizations, particularly in specific situations, we have drawn upon the insights of Ghauri & Gronhaug (2005), which advocate for the utility of a qualitative approach when venturing into uncharted areas of study.

3.2 Single Case Study

Using the approach of a case study is according to Cassell & Symon (2004) suitable when researching questions of a more complex nature and, as in the case of a crisis, during specific contexts. A difference between a single case study and a multiple case study is that in the last mentioned, the researchers are studying multiple cases to understand the differences and the similarities between the cases (Baxter & Jack, 2008; Stake, 1995). In our case we are only investigating one football club and not several, therefore the single case study is more suited. For creating high-quality theory, Dyer & Wilkins (1991) argue that single case studies are better than multiple cases because a single case study produces extra and better theory. This means that a single case study offers the opportunity to attain a profound understanding of the particular research subject, delving beneath the surface. Dyer & Wilkins (1991) also propose that employing a single case study with a comprehensive definition of the case subject is well-suited for unraveling the dynamics within an organization. According to Siggelkow (2007), the existence of phenomenon can opulently be described by single case studies.

Furthermore, as this is a new field of studies, the research of Yin (2003) proclaims that a single case study is the most suitable method.

3.3 Possible objections towards research design

Nevertheless, it is important to note that there are potential issues in extrapolating the findings, as a broader range of cases might yield more universally applicable results (Lundahl & Skärvad, 1999). Scapens (1990) further underscores the challenge of achieving generalizable results through a case study. Since we are only investigating one football club this only gives us a single perspective which makes this thesis very narrow and not generalized since all clubs face different situations and have different conditions to handle the tension between sports results and financial results.

3.4 Data collection

3.4.1 Primary data

The primary data source in our study was interviews. We have conducted 7 interviews where three of them took place in Örebro at their office and the other four interviews we conducted through telephone. In between our interviews we have had contact with our interview people over email and telephone for supplementary questions that has come up along the way. Employing multiple sources aligns with the recommended methods outlined by Yin (2009) for acquiring essential data.

As we mentioned, the interviews have been this report's main source of data collection. We chose the interviews since we have been looking at specific decisions and why these decisions were made. Therefore, the most appropriate method to use as we consider whereby conducting interviews. Interviews provide an opportunity to comprehend the rationale behind the actions, perspectives, and experiences of individuals involved (Darke et al., 1998). This thesis aims to understand how football clubs handle the tension between sport results and financial results. We needed to interview the parts in the company who handle these two goals and how they try to find harmony between them. We also interviewed two external people and stakeholders, one member of the board that has been part of the board for several years and therefore has a great insight into the decisions that has led to the situation they find themselves in today.

The following individuals have been interviewed:

Örebro SK Fotboll:

- CEO / Club Manager since October 2022.
- Seller since January 2023.
- Sportsadmin since June 2019.
- Head coach since August 2022.
- A member of the board since March 2017.

External Parties:

- A sports journalist at Nerikes Allehanda since June 2020.

3.4.2 Secondary data

We have read through their budgets, annual reports and documents that they have published on their homepage and used that as secondary data. By using these documents as secondary data we gain a broader perspective and understanding and not only the view from the interviews. We have also looked through the documents before our interviews, in order to ask questions regarding their budget, missions etc. By conducting this before the interview we got a more unbiased understanding of the situation.

3.5 Data analysis

Every interview was recorded to enable the review of quotes in case of uncertainties. Both of us engaged in notetaking and cross-checked immediately after the interviews to synthesize findings and detect any disparities in perceptions. To minimize personal bias, we adhered to the recommendation of Voss et al. (2002) by both being present at every interview.

In order to divide and sort the data we divided different decisions into the different years since that gave us a clear overview of the decisions and why they were made at that time of point and what the purpose of the decisions was. We also divided the decisions into sport results and financial goals in order to clearly see how the decision affected the club. This was a process proposed by Corley & Giola (2004), where they suggested sorting the obtained data into themes.

One important thing to take into consideration is that ÖSK has made a lot of changes in their organization. Therefore, we couldn't ask the current CEO about the situation before since he has only been CEO for a year. He could answer for what they have done but not how they arrived at those decisions or how they prioritized in specific situations.

4. Empirics

4.1 Background and Case organization

Örebro SK Fotboll

Örebro SK Football is a club that comes from Örebro, which is a city located in Närke, in the middle of Sweden. On October 28, 1908, Örebro SK was formed. In 1911, ÖSK registered for the first time a team for league games in soccer, the Örebroserien. 1947 was the first season that ÖSK played in Allsvenskan, Blohm & Widlund (2022).

During the 1990s and early 2000s, Örebro SK was an established Allsvenskan team but had some financial problems. This led to the Swedish Football Association's licensing committee rejecting the control balance report submitted by Örebro SK on June 30, 2004, despite it being approved by two independent auditing firms. Thus, the club was not granted a license to play in Allsvenskan in 2005. But in the 2006 season, Örebro SK managed to qualify for Allsvenskan, and in the aftermath, Örebro SK had both successes and setbacks. In the 2012 season, Örebro SK left Allsvenskan, but it was only one season in Superettan before they quickly returned. Since 2012, Örebro SK has been in the middle of the Allsvenskan until the 2021 season when the club ended up in second last place, which meant relegation to Superettan, Blohm & Widlund (2022).

ÖSK Youth is an independent organization that conducts children and youth activities. Operating under the motto "youth at the center," ÖSK Youth engages in activities for children and young people up to the junior age. Currently, the club is the largest children's and youth organization in Örebro County, with approximately 2,300 participants across five sports: bandy, football, handball, floorball, and e-sports. On the football side, ÖSK Youth has 33 teams of mixed ages for both girls and boys, Örebro Sk Ungdom (2023).

After the youth years, ÖSK football has three teams for juniors: PA19, (Boys, 19 years old) PA17 (Boys 17 years old), and PA16, (Boys 16 years old). Despite ÖSK's longstanding communication about wanting to be a selling club and investing in its academy, several football talents from Örebro have never played for ÖSK football. Examples include Isak Kiese Thelin, Jimmy Durmaz, and Jiloan Hamad, who joined Örebro SK for the first time at the age of 31. ÖSK has faced criticism for this, as despite having an academy and a team in the top league among Örebro teams, the club should be able to produce better players.

In 2023, Örebro Academy Family was established, where partners contribute a significant amount over an extended period to hire an academy director and build something for the long term. Görtz Properties is a partner that has invested more money earmarked for the academy. ÖSK aims to build up the academy in the long run and create trust in being a selling club. ÖSK has also formed partnerships with other clubs in Örebro city to promote player movement. One such collaboration is with Örebro Syrianska, playing in Division 1. Closer cooperation also increases confidence in the academy initiative.

On November 3, 2019, ÖSK Football announced the inclusion of women's football in its operations. Former ÖSK Football CEO Simon Åström explained the decision, stating, "It's a natural step for us in 2020 as a modern football club in the elite of Swedish football to have women's football. Part of it is our values and what we want to be as a club, where everyone should feel welcome in our community. Another part is our belief that starting from a common platform with both men's and women's football will benefit both parties. Men's football will grow by having women's football in the operation, and vice versa." Internal document, Ekberg (2020).

ÖSK women's team won Division 1 and will compete in Elitettan, the top league in Sweden, in the 2024 season. Women's operations do not generate any revenue and cannot finance themselves. However, the women are included in partnerships when becoming a partner of ÖSK, reflecting the club's commitment to gender equality. While the goal is for the women's team to move up to Elitettan, it will involve increased costs, and the budget will need to double, particularly for travel expenses. Despite more partners in Elitettan, it is unfortunately not as financially attractive as if the men were to move up to Allsvenskan. It is easier to generate revenue in Allsvenskan compared to Elitettan. Our interviewees expressed the women's teams as the wagon and the men's team as the train pushing the organization forward as the men's sport operations is what generates revenue and finances the women's sport operations.

Behrn Arena, formerly known as Eyravallen, is one of Sweden's most classic football arenas. Besides football, the arena has hosted bandy and athletics, but it is now exclusively a football arena. ÖSK pays 3 million SEK per year to train and play matches at Behrn Arena, a considerably higher amount than what other clubs pay for their venues.

Swedish field of football

Swedish Elite Soccer (SEF) is an interest organization with 32 member clubs. They are an association for the 32 clubs in Allsvenskan and Superettan. SEF's mission is to drive the development of national men's football: sportingly, economically, commercially, and administratively, Svensk Elitfotboll (2023).

SEF must, through professional action, together with its member clubs, actively create sporting, financial and operational conditions in order to make full use of the development potential that exists for the Allsvenskan, the Superettan and the national men's football. Svensk Elitfotboll (2023).

Through collective agreements, Swedish Elite Football aims to provide enhanced financial conditions for elite clubs in football. The objective is to support the international success of Swedish club football in UEFA-organized European cup competitions. Svensk Elitfotboll (2023).

Every year, all clubs in the Allsvenskan and Superettan receive funds from SEF. SEF sign agreements with cooperation partners which generate income for all the clubs in Allsvenskan and Superettan. These agreements consist of dispute rights and gaming rights. Currently, SEF has agreements with Discovery and Unibet. These agreements result in SEF receiving a large sum of money which is then distributed to the Allsvenskan and Superettan clubs. The distribution of this income is based on distribution principles that SEF together with all member clubs have determined, Svensk Elitfotboll (2023).

Originally, starting from 2015, the distribution of shared funds among the leagues was based on the principle of allocating 75% to Allsvenskan and 25% to Superettan. But starting with the 2022 season, a new decision was made regarding the distribution, which would now mean that 76% was distributed to Allsvenskan and 24% to Superettan. And then the seasons 2023-2025 would have a distribution of 77% to Allsvenskan and 23% to Superettan, Svensk Elitfotboll (2023). The distribution of these amounts that Allsvenskan and Superettan get every year looks a bit different.

Appendix one shows a graph with an associated table of percentage allocation by table position of Superettan. The table presented for the Superettan has changed as of the 2021 season. Superettan has a distribution where 50% is included in a base that is shared equally between all the clubs. Of the remaining 50%, 40% is distributed based on historical positions

in the Superettan and 10% based on this year's season in the Superettan, Svensk Elitföboll (2023).

Appendix two shows a graph with an associated table of percentage allocation by historical table position of Allsvenskan. By historical table position is meant a weighted table which is based on the position of the last five years, including the current year, on a rolling basis, see appendix three, Svensk Elitföboll (2023).

The money from SEF is not the only income that the clubs get. Every year UEFA pays out a solidarity payment to every top league in each country. Not all clubs are guaranteed to take part in this money since they have several requirements that need to be fulfilled by the clubs. In order to receive money from UEFA, the clubs must have an activity plan for the youth activities and show that they go 100% to the youth activities. "The money is the so-called UEFA Solidarity Payment, which is awarded once a year. The money is earmarked to benefit the youth activities of the clubs that do not play in the group stage in Europe." The amount of money depends on how far the club from that league qualifies, Uefa (2019).

Malmö FF that plays in Allsvenskan qualified for group stage 2021, and due to that and a partially new model for distribution of these funds, 15 clubs that played in Allsvenskan 2021 shared 7,511,000 Euros when UEFA distributes its annual Solidarity payment, that is 500,733 Euros per club. Converted into SEK, it is a little over five million SEK per club, Svensk Elitföboll (2023).

4.2 Institutional logics and a hybrid organization

Regarding the hybrid nature of ÖSK, our interviewees have highlighted two primary institutional demands prevalent within the organization. As articulated by the CEO, "ÖSK is a hybrid organization with two facets. Our core activity is what we do on the field and the results we produce, but we cannot jeopardize our own capital and risk the club's existence." These predominant institutional demands have been categorized into the concepts of sports logic and business logic. Sports logic entails delivering athletic results regardless of the circumstances, while business logic involves adhering to the budget and maintaining a stable financial condition for the club. During our interviews, we have identified quotes that align with these two logics. Quotes describing the business logic include statements such as,

We cannot jeopardize the club's existence by taking risks, Share capital is affected, and By 2024, we have a budget that must break even, or else we'll be at a level we do not want to be.

Quotes embodying the sports logic include statements like,

Our vision is to return to Allsvenskan in X number of years, Our core activity is what we do on the field, and As a football club, one always aims to perform better and climb in the standings.

4.3 Organizational structure

Structural differentiation involves dividing the organization into distinct subunits that operate independently, each following its institutional logic (Greenwood et al., 2010; Kraatz & Block, 2008). As mentioned earlier, we have identified two different logics: sports logic and business logic. To manage these logics simultaneously and strive for harmony between them, we find that ÖSK has adopted this strategy. This strategy, aimed at handling institutional complexity, reduces the instances where the organization faces multiple demands simultaneously, simplifying the manager's decision-making process and improving efficiency. Since the subunits belong to the same organization, this strategy necessitates some form of integration between the different units (Greenwood et al., 2011).

ÖSK has an economic council and a sports council directly under the board. The sports council serves as a forum to funnel decisions of a sporting nature that should be made by the board but need to be initially addressed by the organization. The sports council includes the head coach of ÖSK men's team, who also serves as the acting sports director, the CEO of ÖSK men's team, who provides an economic perspective, two former players, and two board members. The purpose of the sports council is to establish a more secure foundation and facilitate discussions on all sporting matters, ensuring that decisions are not solely based on the coach's requests but are formally approved by the board. The sports council was established in 2022.

Due to our financial situation, we have chosen to have a sports council that can function as a complement to a sports director. However, even if we had a sports director, we believe that a sports council would still be necessary. This is because the board seeks greater reassurance in decisions related to sports, such as coach recruitment, player recruitment, or sales, and thus, more individuals participate in the sports council. -CEO

The finance committee is also directly under the board and was established in 2023. It consists of the CEO and a board member with an economics background, as well as a retired board member who is an economist. The committee's task is to critically review the documents presented by the CEO to the board. The economic council also serves as a second opinion on these documents, allowing the board to make more informed decisions.

The organization is also structured in way that the sports department's day-to-day business is run independently from the headquarters. The manager is responsible for preparing training, conducting the training, analyzing games, selecting the team for the weekend and preparing the team for the upcoming game. The business side of the organization is located at the headquarters where the CEO and salesmen work with gathering sponsors, having meetings, preparing security for home games, making sure the stock with candy, food and beverage is full before games and preparing events at games for sponsors and fans. Separating the business and sports operations day to day business as well as having separate councils allows the subunits to act independently in line with their institutional demand. The integration will then happen at the board level to which the council's report to.

How does the budgeting process unfold? It begins with the board providing certain guidelines to the CEO, who then formulates a proposal based on the board's directives. This proposal is presented to the economic council and subsequently taken back to the board for further consideration. (see appendix 3 for organizational chart)

4.4 2021

We have examined how the results of performance measurements relating to both the sports and business logic were utilized in decision-making during three seasons. We are analyzing the three seasons 2021, 2022 and 2023 with different characteristics and how decisions for these three different seasons were made on the basis of performance measurement in relation to the two institutional logics we found within the club, the sports and business logic.

In 2020, Örebro SK had a successful year, finishing in 7th place in Allsvenskan, the highest position since 2014 when they secured 6th place. Ahead of the 2021 season, the club decided to allocate funds to the sporting department and expand the sports budget. In 2021, Örebro SK had the strongest sporting budget in a decade.

For 2021 ÖSK had the strongest sporting budget they have had in a decade. Therefore, we can clearly see they prioritize the sports logic. The reason behind their prioritizing of the

sports logic has been hard to find since almost the whole organization has been replaced but football clubs always feel the pressure to enhance their sporting performance. While the club hasn't explicitly stated the reasons behind prioritizing sports logic in this decision, external pressures from supporters and sponsors could certainly be contributory factors. Following a strong showing in the 2020 season and a consistent trend of finishing in ninth place, the club may have sensed that it was time to build on the momentum from 2020 and take the next step forward. Despite the absence of an official statement from the club, it appears they have a vision of competing in European competitions, and to achieve that, they must climb the league table. Maintaining the trust of supporters and sponsors is crucial, demonstrating the club's ongoing commitment to achieving improved sporting results.

Before the season, I remember that the economy was quite good and fairly stable. Despite the pandemic, ÖSK had navigated through that period relatively smoothly. They hadn't incurred any significant penalties; although their equity had decreased somewhat, it was likely due to the results from previous seasons. - Nerikes Allehanda

I remember that season as quite hopeful in many ways. They finished 2020 very strongly, with Axel Kjell as the coach and players like Dennis Humet and Nahir Besara, among others.-Nerikes Allehanda

Before the 2021 season, there was a lot of communication, and there were strong sentiments within the club that it was time to take the next step, no longer settling for 9th or 10th place as they had done many times before. Instead, they aimed to move up to the upper half. -Nerikes Allehanda

There wasn't excessive pressure; rather, the usual pressure that always exists in football and results-based activities. However, finishing in 7th place gave them a sense of hope. There was a bit of wind in their sails. I wouldn't say it was a massive investment, but they wanted to allocate some extra funds to continue the positive trend and try to take the next step up. - Nerikes Allehanda

Despite the increased sporting budget and player recruitments made ahead of the 2021 season, the optimistic outlook took a completely different turn. In the fifth round, ÖSK scored their first goal and secured their first crucial three points. However, despite this

victory, which many thought might be ÖSK's turning point, a series of losses followed. After round 8, Örebro found themselves in the last position in Allsvenskan.

The club underwent a leadership reshuffle, with Axel Kjäll taking on the role of sports director, and the Portuguese Vitor Gazimba stepping in as manager of the football team. Two significant signings were made in hopes of turning things around. Nahir Besara made a comeback to the team, while Jilovan Hamad and Ahmed Yasin were recruited during the summer transfer window.

When we observed that things were going quite rough and a change was needed, we were willing to bring in external capital to facilitate player recruitment, but of course, with the understanding that these loans would need to be repaid. – Board Member

It was two significant signings made during the summer of 2021. Ahmed Yasin had played for ÖSK before, but Jilovan Hamad was new to the team. However, despite this, there was a sense that the savior was returning because, fundamentally, he is an Örebro native. He was considered a player who was actually too good to play for ÖSK. So, despite the challenging start to the season, the feeling was that things would now fall into place. At this point, there was no real concern; there was complete confidence that everything would work out. - Nerikes Allehanda

Despite the economy being quite good, they didn't have enough funds to carry out these signings. They had to finance these recruitments with the help of external capital, but it wasn't as if they overleveraged themselves. Instead, they are now acquiring players to maintain the positive momentum created in 2020. It was a clear sports logic priority rather than a priority of the business logic. - Nerikes Allehanda

The decisions we make throughout the year must, of course, align with the budget we have. If we want to bring in a player, we have to part ways with another player to free up the funds and stay within the player budget set for the year. However, during the 2021 season, we chose to take a different approach as we attempted to recruit our way out of the crisis as the economic consequence of

being relegated is massive. In that instance, we opted to bring in external capital from partners and shareholders to be able to sign Hamad and Yasin. We made the decision to bring in new funds because there was no room in our budget to execute these acquisitions. - Board Member

In hindsight, we can acknowledge that it was a misstep. Whether it is related to coaching changes or other factors, we cannot definitively answer. – Board Member

Regarding the coaches, we underwent significant rotations and changes. It's a decision that must be made at the moment, but, of course, it comes with a cost since they also have contracts that apply for different periods. In such situations, a balancing act is required to prioritize what needs attention. In 2021, one could say that we prioritized the sporting aspect over the financial aspect in almost all our decisions, including the coach changes.- Board Member

Despite the significant star signings ÖSK made during the summer of 2021, the results did not materialize. After fourteen rounds, ÖSK had only secured two victories, leading to the departure of coach Gazimba. With only eight rounds remaining in the Allsvenskan season, ÖSK was second to last, trailing by six points for a relegation playoff spot. Marcus Lantz, formerly the coach of Mjällby, was recruited as a last-ditch effort to save the team. Unfortunately, it was too late, and ÖSK couldn't reverse the negative trend. Neither Lantz, Hamad, Besara, nor Yasin managed to save the team from relegation to Superettan.

Upon realizing that ÖSK was relegated from Allsvenskan and would play the upcoming season in Superettan, several players departed. Two player sales that have garnered significant attention are Taha Ali and Dennis Kollander, two young players looking to move forward and concentrate on their individual development.

In recent years, the club has communicated its intention for ÖSK to be a selling club, and the sales of Taha Ali and Dennis Kollander were opportunities that ÖSK couldn't afford to turn down. Taha Ali had limited playing time at ÖSK, having been loaned out to Västerås, where he performed exceptionally well. When a good offer came in, the club chose to let him go. However, this sale has received significant criticism in hindsight from a sporting perspective, as he has

excelled at both Helsingborg and Malmö, despite not getting a chance in Örebro. Nevertheless, at that time, it seemed very reasonable to release both Ali and Kollander when receiving two favorable offers. – Nerikes Allehanda

Comparing the 2021 signings of Hamad and Yasin, they felt like two sporting priorities. These were older players who weren't expected to increase in value but were recruited for their immediate impact over the next two to three years. On the other hand, Ali and Kollander were very young players for whom the club received good offers. In this case, economic considerations likely played a more prominent role. If ÖSK had the luxury of deciding without the need to sell players, they would have retained them 100%. I am convinced of that. – Nerikes Allehanda

Prior to the 2021 season, ÖSK prioritized the sports logic over the business logic. In the decisions made throughout the year, the emphasis was placed on sports logic although there is a harmony between the logic when trying to avoid relegation and the negative financial implications. The motivation behind their decisions was the initial desire to maintain the positive trend established in 2020. However, given the unfolding circumstances of the season, decisions were made that risked Örebro SK's short-term financial stability in order to recruit their way out of the crisis and avoid the risk of relegation. Despite implementing decisions to avoid relegation which favors both logics, Örebro SK focused on the sports logic and the hope of preserving their previous on field success, however the outcome did not align with expectations, and the club was relegated from Allsvenskan.

4.5 2022

Upon relegation ÖSK was to face a season in the second highest league, Superettan, for the first time since 2013 when they last played in the second division. The goal for the season 2022 was the same as it was back in 2013, to get promoted immediately. It's a challenging goal which is hard to reach as few teams have achieved promotion the year after relegation. However, everyone in the organization was determined and believed that it would only be a quick session before returning to the big stage, Allsvenskan, in the coming year and that the organization would be able to achieve this goal.

Our goal was clear that we should bounce back to Allsvenskan and we thought we had the best conditions in order to do it, we believed that on paper we had a strong enough team in order to do so- Board member

The communication from the club, organization, CEO and board to external parties was super clear; we are going to do one year in Superettan before returning right back up to Allsvenskan where we belong. The CEO at the time was super clear in his message when he said that we are prepared to risk half of our equity if it means that we return to Allsvenskan next season – Nerikes Allehanda

The sporting ambition was clearly stated and everyone around ÖSK agreed and stood behind the goal. The prioritization of sporting performance above economic performance was evident not only with the CEO's statement but also when looking at actual numbers in the budget and financial statements where the sporting ambitions were reflected.

The sporting ambitions and goals for 2022 were that our time in Superettan should only be a year. Before the season started our squad was very strong and we had one of the biggest player budgets in the league. The budget for the year was -4,6 million kr. In this budget we are prepared to risk half of our equity- Internal document, statement of Intent 2022 (2023)

After the relegation to Superettan, the board has prior to the 2022 season accepted a budget to create the best possibilities for an effort to bring the mens first team back to Allsvenskan. Personal costs and wages are at a level for being a top team in Superettan. The estimate for the whole year is a result of minus 3,1 million kr which is 1,5 million kr better than the budget, the estimate for revenues is 4,6 million kr higher than in the budget as partnersales has been better than expected and the club only expects a loss of 5% of sponsorship incomes. On the cost side it is estimated an increase of 3,1 million kr higher than budget, most of which is investments in wages, but some is also linked to rental costs. - Internal document, Quaterly report Q1 2022, (2022)

The sports logic was definitely in favor and prioritized and largely in conflict with the business logic as the organization was willing to risk a large amount of its equity in order to facilitate the best conditions for the team to perform and get promoted back to Allsvenskan. However, there is also a harmony between the logics as the economic incentives of playing in Allsvenskan compared to Superettan are huge. The difference in revenues is incremental as

the percentage of money from SEF for playing in Allsvenskan is three times that of Superettan as well as you receive UEFA solidarity payments and are able to charge higher prices from your sponsors. There is also a strong linkage between good on field performance which was prioritized and ticket revenues which is the third largest revenue source and accounts for around 10%.

The difference is huge; we lost a couple partners but not that many as others might do due to our great network, but we can't charge them as much in Superettan or offer them our partner trip due to our new cost costume – Salesman

Now when the season is underway, we can see that we have managed to create a stable economy and a well running organization and we have great conditions for reaching our goal, Allsvenskan - Internal document (2022)

Although there is an argument for the logics to be in harmony by investing in sporting result to increase future revenue, it might instead be a potential decoupling strategy whereby representatives from the organization emphasize the importance financially as the revenue will increase as a result of promotion. By partially symbolically adhering to the business logic by claiming the economic importance of promotion and that the economy is under control the organization can adhere to stakeholders concerned for the business logic and maintain legitimacy among these stakeholders. All this while still pursuing their internal strategy of risking their equity to prioritize the sports logic.

During the preseason which also includes the Swedish cup, Örebro played eight games and only won one. In the opening game of the season in the league, Örebro lost 3-0 and the manager was released. The manager had just signed a three-year deal and when he was released Örebro was still in a position where they were obliged to pay the rest of his contract.

On the manager position, there have been a few rather weird decisions and recruitments that have been made. There was a strong belief in the manager going into 2022 but he was released after only one game, which is very uncommon. Örebro had to pay the reminding of his salary before reaching an agreement ending this economic outflow and since then different contracts unlike these previous have been written- Nerikes Allehanda

We felt like he had to make a decision due to the circumstances and it's a huge cost to change a manager especially when they have time left on their contract, that is money we most often don't have coverage for, and we can't do an

investment round for bringing in a new manager. However, it's quite comfortable as a board to replace the manager regardless of the economic consequences and is often the measure you will take - Board member

A new manager was appointed from in-house as the sporting director took charge as manager and coach of the team. His stay was also cut short as he was released with a couple of games left on the season when the team was facing relegation to the third Swedish division, Division 1, which would have catastrophic effects as the club would lose their elite license. With ten games remaining a new manager was appointed and as the previous recruitment he was an in-house appointment who had been assistant manager. Two player recruitments were also made during the summer to further strengthen the squad and avoid the potential risk of relegation.

When I was appointed as head coach there were no possibilities to change the squad, the transfer window was closed so the squad I inherited was the one I had to work with. The board's instructions were clear, you have this squad and these ten remaining games, and your goal is to make sure we stay in Superettan as we can't afford to go down - Manager

Throughout the season the sports logic has been prioritized where new managers have been appointed in order to achieve better results on field, the sports logic have been in direct conflict with the business logic as the replacement of managers results in increased costs for the organization and money that they don't have. The risk of another relegation put extreme pressure on the club who were willing to make a third managerial change with the only goal of securing a new contract, clearly favoring the sports logic. At the same time the potential risk of relegation would have ruined the club, and the financial implications would have been massive. We therefore argue that to a certain extent the board was compromising as to forfeiting full adherence to the sports logic which had been the case before and during the season to partly satisfy the needs of the business logic as the risk of relegation and its potential consequences was too great. Using a compromising strategy, the board manages to balance the conflicting demands from the two institutional logics.

However midway through the season the financial implications of the investments in sports were worse than what was budgeted for, and desperate measures had to be taken. The club decided to enforce a purchasing stop and recruitment stop in order to have equity next year.

We are probably looking at economic austerity. We must prioritize, make tough decisions and we will need economic support from our partners, shareholders and members - External document, Fotbollskanalen, (2022)

ÖSK conducted a directed rights issue to increase their equity and restructure. During all this turbulence in the organization, a new CEO was appointed, which then was the third during the year.

“Due to the economic situation, we found ourselves in as a result of bad sporting performance we were in agreement that we needed to look for a new CEO with a background within economics who had worked as a controller or something similar”- Board member

The appointment of the new CEO was to some extent the beginning of the new path for ÖSK where business as usual was over and the focus from now on would be on the economy and financial performance emphasizing the business logic. It's also an example of the professionalization within Swedish football prioritizing business principles. The prioritization of the sports logic and sporting performance rendered in financial distress whereby a new CEO with a business background who prioritizes financial measures was appointed leading to a total change in which the business logic is favored.

The team managed to escape relegation and negative play-off in the last round and secured a spot in Superettan 2023 very much contradictory to what the goal beforehand was. ÖSK also received late in 2022 a UEFA solidarity payment of 5,5 million kr which is paid out to clubs in Allsvenskan with one year lag. As a result of this money as well as the directed rights issue ÖSK managed to keep their equity solid and even increased it slightly.

4.6 2023

Heading in to the season 2023 there was a major change in communication both internally and externally, there was no longer the unanimous clear goal for on field performance and striving for promotion as it had been the previous season but rather ambiguous and toned down.

Our sporting ambitions for the season 2023 was to do an okay season, a sound season in Superettan, and rather improve players and tactics and end up somewhere in the middle of the table. There was rather talk about building a group and build from the ground where I will be able to implement my style of play and not strive for a concrete table position- Manager

There has been no discussion regarding any major financial investments for the sporting department, that was never on the agenda so there were no expensive or large signings during the winter transfer window as Örebro are still in a position

with expensive contracts from the previous year and the year before that in Allsvenskan- Nerikes Allehanda

The change was quite big between the seasons 2022 and 2023, in the winter we released a few players who were older and expensive that had bigger contracts and replaced them with younger and cheaper players. We brought in players who stood without a contract so there was no additional money spent on purchases or buyouts. We would not be able to afford any sign-on bonuses or agency costs for brokering the deal- Manager

The focus has rather been put on the economy and the organization as a whole to rebuild and start to build long term and find stability regarding the daily work and decisions concerning the future. The organization has rather worked with getting custom to their new reality of playing in Superettan where changes have been made to adapt the economy as well as operations and organization for a smaller business with less revenue. The readjustment from Allsvenskan to Superettan is hard, and the club expects its revenue to fall by 45% and that each source of revenue will be affected and decrease, and the biggest revenue decrease will be seen in the money from SEF as the share for playing in Superettan is substantially lower. The organization expresses the difficulty in adapting their expenses so quickly and that it is a major challenge, but that cost cutting will be made in all parts of the organization, especially on the sporting operations as it is the biggest expense. They also changed premises to lower cost and cut down on personnel at the headquarters and are in negotiations with the county regarding the rent for the arena where they train and play their home games.

The economy is under pressure, and we have now accepted that and are trying to start over as to build a foundation in the economy where we don't lose money every year and keep generating negative results as a consequence of decisions that implicate and puts our economy at risk- CEO

Our focus going into the year was the economy, we did the right thing that everybody stood behind in 2022 and took a risk for the chance of getting promoted immediately. However, investment fell short, and we now find ourselves in a position where we have to build long term for our economy and find some stability. There are no margins in Superettan and no room for taking such a risk without jeopardizing the organization as a whole and you therefore become more careful about the money you have. We don't have the possibilities

financially to recruit any expensive players and there is no room for more players and wages - CEO

The organization was ahead of the season prioritizing the business logic over the sports logic with no major sport ambitions for the season which correlated to the decisions made in the off season and transfer window. Money was the key performance measure, and it was important to keep track of every single penny and focus on financial performance. The logics were in conflict as the change of prioritization, from sports performance and promotion from previous year, weakened the possibilities and conditions for on field performance. Decisions were made in favor of the business logic although there was competition between the two logics. Another example of favoring the business logic is expressed below by the manager;

We didn't have any bootcamp in the offseason although I wanted it, and that was a result of our economic situation. Everyone understands that a bootcamp would be good and beneficial but there simply isn't room in the budget or money for it - Manager

Apart from the change of CEO late in 2022, the organization and board decided to elect a new chairman which was the beginning of the change and transformation of Örebro SK. The board of directors has together with the new CEO started working on a new strategy plan, a 10-year plan, with new goals and milestones, creating a new identity with new values that will better reflect on the new Örebro SK as well as a new vision for the organization. The strategy plan is to be finished and launched at the end of 2023 and will include new goals such as getting promotion back to Allsvenskan, however without any restriction regarding the number of years it is allowed to take. There has been a growing gap between vision and reality which has been costly for the organization as stakeholders have lost confidence in Örebro SK. Partners have left and stopped sponsoring Örebro and fans have raged against the organization and board of directors which have caused turbulence within the organization. The new strategy plan now aims at building long-lived relationships and building up trust again among external stakeholders such as sponsors, fans, other football clubs in the region and the county. The work of a new strategy plan is a decision in line with favoring the business logic and a prioritization of financial viability and performance as a result of the financial distress Örebro SK was under mid 2022. Focusing on the economy helped to build credibility and regain the trust of stakeholders as the organization's expectations were now in line with their conditions both financially and sport-wise. This was also reflected in the prolongment of the sitting managers' contract as to previous years where there have been

many replacements, this decision was a result of the new plan to build long-term and with continuity. Financial goals in near time will be a breakeven budget and moreover in future the organizations hope to generate positive results and be able to start investing more in the sporting operation.

We have realized that we must start over from ground floor, that means that right now isn't sporting performance the most important objective rather gaining trust by focusing on the long term, starting with our academy which we will earmark money to and give the possibilities to sponsors to become an academy partner. We will benchmark how others have done and take inspiration for our strategy and academy to improve it - Board member

When we finish with our new plan, and we have put together something we can stand behind where we trust the process and don't have to worry about getting promoted this year, next year or even in five years I think it will be easier for us to not make any rushed decision where we sign new players and are forced to bring in external capital- Board member

During the year Örebro has stood by their word and their external communication regarding their new vision as they have appointed a new chief of academy and began to collaborate with football clubs in the region where the teams can exchange players. This further builds on their new identity of being a selling club where local talents are attracted to Örebro and can get a good education and possibilities in the first team and then be sold. The squad during the year is smaller which results in more academy players training with the first team and their chances of breaking into the team increases. The focus on the local communities has been essential for ÖSK during the year to engage local sponsors, attract local talents and clubs in the region.

The faith in ÖSK from other football clubs in the region has been terrible, and the trust in ÖSK as a player developing institution has been null as they have historically been terrible identifying local talents. Great examples are Jilovan Hamad, Jimmy Durmaz and Isak Kiese Thelin who have played for the national team but never been to ÖSK in their youth. But this has changed as they have had cooperation agreements with a few local clubs during the year- Nerikes Allehanda

We want to be more than just a football club and organization but rather an important institution in the local community who can do good things and change

the community for the better. We see a need for CSR and that by doing good we can attract new sponsors and big sponsors who won't sponsor us unless we are trustworthy and deliver on our CSR work -Board member

When we make money is when we have sold players, we can see that historically those years when we end up making a profit are the years when we have sold players. So, we believe that the future for us is to produce our own talents and sell them to make money and that selling local talent can attract more sponsors - Board member

And during 2023 Örebro did sell two of their big young talents during the summer transfer window even though the club was in the bottom region of the table potentially facing negative playoff once again. It did contribute to strengthening Örebro's new identity of being a selling club while at the same time they were aware of the risks of sacrificing short term on-field success and potentially getting relegated. But to strengthen the squad Örebro made two recruitments, one of which was seen as too good for the team but as he was a local, from Örebro he was determined and so was the club to arrange for him to come home. Although the clubs' representatives were very clear that in order for it to be possible to bring in new players, they had to free up money first. That was also the reason why even though the manager wanted another center back during the summer, the board said no.

My instructions were to bring in more younger players on the squad and give them more playing time and the chance to improve so that we hopefully could sell one or two during the season - Manager

There is always a risk with signing new players, it is not like buying a bigger engine knowing the car will be faster. We are working with humans, and it is not certain that the player will improve the squad or perform as expected- Manager

Throughout the year it is evident how the sports logic and business logic have been in opposition and sometimes in direct conflict but that the prioritization of business logic has been constant and the favored logic.

5. Discussion

We firstly contribute to the literature on hybrid organizations, and the existence of multiple logics within organizations and in particular hybrid organizations in sport where our findings in our case organization demonstrate the presence of a sports logic and a business logic in line with previous scholars (Carlsson-Wall et al., 2016; Gillet & Tennet, 2018). Our empirical

findings are in line with what Fahlen and Stenling (2016) propose, that there is an order of logics and that the market-oriented logics, the business logic and sports logic are the driving forces. We found that the challenge within Örebro SK lies in balancing the business logic and sports logic and that the sport-for-all logic would be downplayed or at least never prioritized as all focus would be placed on financial and sport results. Our findings suggest that Örebro SK are subject to institutional demands, a sports logic and business logic, which are visible through different performance measures such as league position and league affiliation for the sports logic and equity, budgeting or revenue for the business logic. The sports-for-all logic caring for democratic values such as openness and equality was barely mentioned, and we didn't find any evidence for such an institutional demand. If any it was rather downplayed such as the example of the women's team which was considered or viewed through a business-mind like eye and seen as the wagon who couldn't finance itself and who was carried by the men's team demonstrating the presence of the business logic which has the upper hand in a question regarding the sports-for-all logic.

Secondly, we contribute to the literature on commercialization and professionalization in sports and football, our findings highlight the change in football as it has become more commercialized. The ability for players and managers to leverage their talent for financial return as suggested by Cordery & Davies (2016) is visible in Örebro SK as the expensive contracts for players and managers put Örebro in a difficult financial situation. Örebro has been in a position where they have been stuck with lengthy and expensive contracts for players and managers and the growing expense is a result of athletes' possibilities to get paid more for their qualities. Our findings also support Smith and Stewarts (2010) claim that the increased recruiting costs effects management process in professional sports as Örebro SKs management decided to forgo signing new players who already had a contract as they could not afford additional costs such as sign-on bonus or agency costs for recruiting. Our findings of football players and managers possibilities to leverage their abilities for substitutional financial rewards in the recruitment process or for wages adds to the field of commercialization and professionalization in football and Swedish football.

We also add to the field of commercialization and professionalism in sports and football by highlighting the importance of sponsorships, broadcasting and other funds for resources such as directed share issue for Örebro SK. Cordery and Davies (2016) argue for elite sports to have become industrialized and professionalized due to the substantial revenue sources available and that elite sports organizations have become more business oriented. Our findings support the argument and suggest that the commercialization of Swedish football

with substantial broadcasting related money is therefore extremely imported for clubs as Örebro SK with smaller financial resources. Upon relegation Örebro SK expected their revenue to fall by 45% as most would be addressed to less revenue from broadcasting rights. The commercialization of Swedish football has in line with Cordery and Davies (2016) claims increased the business orientation within sporting organizations and one of the biggest revenue sources for Örebro SK is sponsorships. The commercialization of Swedish football and within Örebro SK is visible by the number of salesmen working with finding sponsors (appendix 3) showing the extent of change and professionalism in Swedish football and Örebro SK. The commercialization and professionalism are also visible by Örebro SK delivering quarterly reports and forming a finance committee.

Our empirical findings also contribute to previous literature from Jacobsen (2023) who researched how to prevent financial distress in a European football club by analyzing a Norwegian football club. She found that the prioritization of the sports logic previously in the club had led to financial distress and a change of management for people with a business background. The change to people with solely a business background guided by believes and values for financial performance led to a prioritization of business and the business logic by lowering sporting ambitions, building credibility and focusing on resigning and signing new partners while building a local profile with solely hiring local players and engaging the local community. We found the same pattern in Örebro SK as the prioritization of the sports logic within Örebro SK through two years led to financial distress where the club issued a directed share issue to bring in equity. The organization and its management had to reprioritize and focus on the business logic due to their financial distress. The board were in agreement that due to their financial situation they had to look for a CEO with a business background similar to what Jacobsen (2023) found in her article. As a result of the change of CEO and the financial situation the board and CEO started working on a new strategy plan with lowered sporting ambitions, in similarity with Jacobsen's (2023) findings, as their goal of promotion to Allsvenskan will be done in "x" number of years. The plan also includes several elements where credibility, which had decreased over the years, were to increase again by matching expectations with reality and acting on their external communication. Due to the commercialization of Swedish football and importance of sponsorship as a revenue source, Örebro had to prioritize their economy to regain credibility and trust among sponsors and other stakeholders. Örebro are to build long-term relationships with sponsors and invest in their academy fostering local talent while also engaging in collaborations with other clubs in the region to become the institution which they strive for. There were clear guidelines for the

manager to let more young talents from the academy train with the seniors and give them more playtime. In line with what Jacobsen (2023) found, Örebro SK tried to engage in the local community by CSR, collaborations, investments in local players- Örebro SKs academy, to gain credibility and build trust. Our findings support that of Jacobsen (2023) but we contribute by showing the same pattern in the context of Swedish football.

As a result of the changes such as hiring a CEO with a business background, CSR and building long-term relationships with sponsors and adapting to a more business-oriented organization with a focus on financial performance and business principles Örebro SK has become more commercialized and professionalized. And while on-field performance is still the most important for Örebro SK there is increased recognition for financial performance. The commercialization and professionalization of Örebro SK has, however, weakened the contrast between winning and profitability in the organization (Smith & Stewart, 2010).

We also contribute to the literature and understanding of soft budget constraints (Storm & Nielsen, 2012 and 2017, Drut and Raballand, 2012, Bertheussen and Solberg, 2022, Franck & Lang, 2014). Storm and Nielsen (2012) researched the influence of soft budget constraints on financial management and its implications for on-field performance. The authors suggest that European football clubs are seen as socially “big” and therefore are “too big to fall” as they face a situation where investors, public authorities and banks will provide money and bail the clubs out in case of financial problems. Franck & Lang (2014) also propose that football clubs expect to be saved ex post financial problems which affects the incentives of management in football clubs. Drut and Raballand (2012) suggest that clubs operating under soft budget constraints have better sporting results than clubs operating under hard budget constraints. Our findings suggest that Örebro SK did operate under a soft budget constraint both during 2022 and 2023. Prior to 2022, the organization were willing to risk half of their equity if that meant reaching Allsvenskan again indicating that the organization was operating under soft budget constraint and that expectation of being saved ex post financial problems affected the management of Örebro SK. The CEO asked for economic support from stakeholders in the local newspaper indicating the expectation of being saved ex post financial problems, which they partly were as they issued a directed shares issue. However, contradictory to Drut and Raballand (2012) Örebro SK did not perform better operating under a soft budget constraint which is partly the results of working with humans compared to for example motorsport. Our results also indicate that there are restrictions on the soft budget constraint such that Örebro SK could not ask investors for money in order to bring in a new manager. And in 2023 there were no possibilities to extend the soft budget constraint and sign

new players and that the signings they made, only were possible after players had been sold and brought in money to the club and provided salary space. We also found that the county of Örebro, knowing Örebro SKs financial problems, is unwilling to lower the fee for renting Behrn Arena, Örebro SKs home stadium, showing that all stakeholders are not willing to save football clubs ex post financial problems.

Our empirical setting also contributes to the literature on managing institutional complexity as our findings suggest that Örebro SK applied structural differentiation to lower tension between subunits and logics in a football organization (Greenwood et. al, 2010). By dividing responsibilities and separating the different subunits (Greenwood et. Al, 2010) they can adhere to their institutional logic and simplify the decision-making process for the board. We find how Örebro SK used structural differentiation to manage institutional complexity, however we also found in line with Carlsson-Wall (2016) how the degree of compatibility between logics is situation specific compared to other papers and studies assuming permanent compatibility between logics (Greenwood et. Al, 2010)

We contribute to Carlsson-Wall et. al (2016) who researched the function of PMS in managing the existence of multiple institutional logics, namely the sports logic and business logic. The authors show how there are situation-specific compromises so that the sports and business logic could either be in conflict or in harmony. Their findings illustrate a cause-effect relationship that is unambiguous such that a decision could favor both, favor one or favor none of the logics in the situation. The authors propose for future research to investigate “whether, and to what extent, multiple institutional logics do in indeed compete with each other in specific decision-making situations within organizations”. Our findings both confirm Carlsson-Wall et.al (2016) findings and add new situation-specific compromises where the organization compromises between the business logic and sports logic. Our findings suggest that when the Örebro SK during 2021 was at high risk of relegation there was no compromise needed between the business logic and sports logic for recruiting new players although the emphasis was on maintaining the positive momentum for on-field performance. This in line with what Carlsson-Wall et. al (2016) finds that the financial implication of getting relegated is massive and therefore the logics are in harmony when trying to recruit your way out of relegation. However, despite Örebro SK buying new players it was not a guarantee to avoid relegation as they could not manage to stay in Allsvenskan. Although, as the organization tried to recruit their way out of the crisis to avoid relegation and the economic implications of relegation, we find that there is a compromise to risk short-term financial stability in order to aid sporting performance however without tension. Our results suggest that this was a

prioritization of the sports logic, without tension, Örebro SK were willing to acquire external capital to facilitate the signings that would help the team avoid relegation and maintain their sporting ambitions. That is a new situation where a football club recruits to try maintaining sporting performance. Our results for 2022 suggest that there is a new situation unexplored in previous research whereby a club that has been relegated will prioritize the sports logic and sporting performance with the goal of getting promoted. We found that in this situation the organization is willing to take a major short-term financial risk with the possibilities of having long-term financial implications in order to prioritize the sports logic. We also contribute to the extending literature by identifying the compromise regarding managers, which we identify to be solely sports prioritized. Örebro SK has during the period we have identified had several managerial changes, all with the hope of improving the sporting performance even though it results in increased expenses. Despite not having the financial resources to recruit a new manager and thus having two salaries to pay, the organization repeatedly makes the decision to replace the sitting manager and favoring the sports logic over the business logic.

Carlsson-Wall et. Al (2016) finds that there is a “zone of indifference”, one where the club faces financial problems and one with stable finances. Both situations call for a prioritization of the business logic, in the situation with a stable financial situation the club should sell first and then buy new players while in the situation with a bad economic situation the club should let players with the potential of being sold get exposure and playing time. Our results suggest that during 2023 when the club experienced financial problems, the club wanted to play younger players and try to sell them in line with Carlsson-Wall et. al (2016). However, the club sold the players in a situation where they were facing the risk of relegation once again to Division 1 and that the signings that were made were due to sales and opening in salary space. We categorize this as a new situation where Örebro SK were facing relegation with financial problems and still prioritized the business logic. We also add to the literature by adding another situation where the manager's request for booting camp was denied although management understood it would be beneficial but that expenses are too high, prioritizing the business logic. Our results suggest that the prioritization of the sports logic in previous years caused financial problems which led to unconditionally prioritizing the business logic during 2023. That is a situation where the financial implications of prioritizing the sports logic and sporting performance for a period of time will eventually cause financial problems whereby the organization has to prioritize the business logic.

6. Conclusion

6.1 Contributions

The empirical findings in our study analyzed through the theoretical lens of managing institutional logics in a professional sports organization helps us answer our research question; *How has the commercialization and professionalization of football influenced the business logic within football, what boundaries are set and how does a football club prioritize between the emerging business logic and sports logic?*

As a result of the growing commercialization and professionalization of Swedish football, Swedish football clubs now face a stronger demand for financial performance and business orientation. The emergence of business-like organizations within football creates difficulties and tensions as their primary objective still is sporting performance and on-field results. Football organizations can therefore be categorized as hybrid organizations facing multiple institutional demands from different stakeholders in the organization.

We demonstrate the increased business orientation in football organizations and add to the literature from Cordery & Davies (2016) and Smith and Stewart (2010) by showcasing the financial consequences for Örebro SK due to players and managers ability to capitalize on their qualities and talent. And how the increased expenses for the sporting operations in wages led to the management changing their way of writing contracts with managers and only signing players without a contract to avoid additional costs for signing a player. The financial problems that arise in Örebro SK had significant importance in the appointment of a CEO with a business background (Jacobsen, 2023) proving our point of increased commercialization and business orientation in football clubs. We highlight the importance and commercialization of the resource funds available (Cordery & Davies, 2016) and the importance of broadcasting rights and sponsorships and how Örebro SK is working with building trust and long-term relationships with sponsors.

We also answer the second part of our research question which builds on Carlsson-Wall et. al (2016) work of managing institutional complexity using PMS and situation-specific compromising. Our contribution to the literature includes new situations in Swedish football where a football organization need to compromise between the business logic and sports logic, such as the decision to appoint a new manager or the situation where a football club is relegated where we find decisions favoring the sports logic despite the tension between the logics in both situations. Örebro SKs prioritization of the sports logic for two years impacted their financial situation whereby we found complete adherence and prioritization of the

business logic dismissing a booting camp, signing new players and instead investing in local talent and their academy. Our empirical result would suggest that prioritization of the sport logic will endanger the financial stability of a football club leading to situation-specific compromise with unreserved prioritizing of the business logic.

6.2 Limitations

Our study is also subject to a number of limitations. Since the CEO is no longer in the position from the 2021 season, it was challenging to study that season and gather comprehensive data on the decisions made. Furthermore, the organization has undergone significant changes in many of its roles. This naturally complicates our investigation into the decisions made, as the individuals involved in those decisions are no longer part of the organization. In addition, there are inherent limitations to our study, particularly regarding the decisions made during the 2021 season, but essentially, this applies to all decisions made. We were not present during board meetings and, therefore, cannot ascertain the nature of the discussions and how the balance between business logic and sports logic was considered. Nonetheless, we did interview a board member who has been part of these discussions throughout the years. Furthermore, the respondents for our paper are all aware of the interest and coverage of the club. As a result, their responses may be unobtrusive, which could affect our conclusion. We conducted a single case study on Örebro SK who has a history of being in Allsvenskan which might implicate results for other organizations and football clubs who are not subject to such history.

6.3 Future Research

We propose further research on football clubs and investigating the commercialization and professionalization of the football industry and organizations and the management of institutional logics within football clubs. We see the potential for a quantitative study researching the decisions and prioritizations of logics made in different situations across multiple football clubs to draw more general and broad conclusions for how football organizations decide and comprise in a specific situation. For example, it would be interesting to research the topic of how football clubs who get relegated react and what decisions are made or why managers are let go. There is also potential in researching if prioritization of the sports logic will endanger the organization's financial situation. Lastly, we see room for exploring the relationship between football clubs and stakeholders such as the county and what opportunities and conditions they provide for the football club.

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8. Appendix

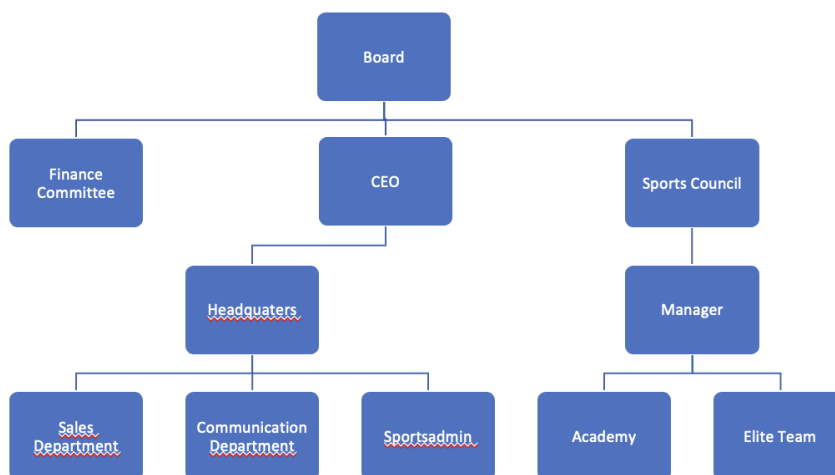
Appendix 1. Superettan payouts.

	50% Base	40% History Placement	10% Years Placement
1.	6,25%	11,50%	13,20%
2.	6,25%	10,30%	13,20%
3.	6,25%	9,50%	11,20%
4.	6,25%	8,50%	9,00%
5.	6,25%	7,80%	8,00%
6.	6,25%	7,20%	7,00%
7.	6,25%	6,50%	6,00%
8.	6,25%	6,00%	5,50%
9.	6,25%	5,50%	5,00%
10.	6,25%	5,00%	4,50%
11.	6,25%	4,50%	4,00%
12.	6,25%	4,00%	3,50%
13.	6,25%	3,70%	3,00%
14.	6,25%	3,40%	2,50%
15.	6,25%	3,30%	2,20%
16.	6,25%	3,30%	2,20%

Appendix 2. Allsvenskan payouts.

Placement	
1.	9,35%
2.	8,55%
3.	7,60%
4.	6,85%
5.	6,35%
6.	6,05%
7.	5,85%
8.	5,70%
9.	5,60%
10.	5,55%
11.	5,50%
12.	5,45%
13.	5,40%
14.	5,40%
15.	5,40%
16.	5,40%

Appendix 3. Organizational chart.



Note; 3 persons works as salesmen in the sales department, 1,5 person in the communication department and 1 person as sportsadmin.

Appendix 4. Direct observations.

Direct Observations	Date
Direct Observation 1, tour of training facilities	27/10-23
Direct Observation 2, tour of headquarters	27/10-23