

# “The applicability of the high performance organizations framework in Dutch soccer clubs”

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## SECTION 3. General issues in management

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### The applicability of the high performance organizations framework in Dutch soccer clubs

#### Abstract

Soccer is the most popular sport worldwide with most participants, television exposure and viewers, and thus it has the biggest business value and impact of all sports. In view of this importance, it would be natural to assume that much research has been performed in the area of excellence of soccer clubs, both on the soccer field and in the management organization of soccer clubs. This assumption is not correct as most research into the soccer industry focuses on success factors on the sports field. In this article, the recently developed high performance organizations (HPO) framework is applied at the soccer industry to evaluate whether it can be used to identify the success factors of soccer clubs. The HPO Framework was used as this framework had been proven to be valid in many different industries and could therefore be expected to be applicable for the soccer industry. Interviews were held with experts from the soccer industry discussing aspects of high performance in relation to soccer clubs. From the interviews it became clear that the experts acknowledged that the five factors of the HPO framework are of importance to soccer clubs and can therefore be applied to safeguard the continuity of these clubs. 'Continuity' is used instead of 'improvement' because it became evident that the focus of high performing soccer clubs is on continuity, i.e. surviving both financially and on the soccer field. The HPO framework can be used to foster this continuity by soccer clubs dedicatedly working on improving the five HPO factors.

**Keywords:** soccer, high performance organizations, the Netherlands, HPO framework.

**JEL Classification:** L83.

#### Introduction

The sport sector is of great value to society. Not only is this sector economically speaking one of the fastest growing sectors in the past decade, physically the sector fulfils an increasingly important role in the strive for a better health (Adcroft and Teckman, 2009). In the sport sector, soccer has a special place as it is by far the most popular sport worldwide with most participants, television exposure and viewers. In fact it can be stated that, commercially viewed, soccer is the biggest business of them all (Beech and Chadwick, 2004; Kuper and Szymanski, 2009). In view of this importance, it would be natural to assume that much research has been performed in the area of excellence, both on the soccer field and in the management organization of soccer clubs. This assumption is correct for sports in general. There is an abundance of studies into the improvement of sport and image marketing (Stewart, 1987; Ferrand and Pages, 1999; Greyser, 1999; Richard et al., 1999; Shannon, 1999; Johnson Morgan, 2006; Kwak and Kang, 2009), how to make a team great on the sports field (dell'Osso and Szymanski, 1991; Lyle, 1997; Espitia-Escuer and García-Cebrián, 2006; Bosscher et al., 2009), how to attract more spectators to the game or the sport fields (Theodorakis, 2001; Ko and Pastore, 2004; Funk et al., 2009), improving the relevance of sports to society (Walters and Chadwick, 2009), improving the sport club

employee attitude (Audasa, 1999; Monk and Olsen, 2007; Todd and Kent, 2009), and even into decreasing racism in sports (Spracklen, 2008). But in the field of improving sports management and specifically soccer club management hardly any research has been done. In fact, Chadwick (2009, p. 191) remarks: "To date, this literature has been confined to the margins of management theory and research."

There is some literature that tracks the difference in results on the soccer field to the budget available to the clubs (Carter, 2001; Ascari and Gagnepain, 2003; Kuper and Szymanski, 2009; Panagiotis, 2009) or that looks into the way the soccer industry is structured in a country (Milanovic, 2005; Gammelsæter, 2009), but no literature was found on ways to improve the management of soccer clubs.

Some literature seems to deal with aspects of excellent of soccer clubs, like Kern and Süßmuth (2005) and Frick and Simmons (2008) who discuss managerial efficiency but that research turned out to look at the relation between managers' actions, or the quality of hired coaches, and the results on the field. There has been an attempt to apply total quality management principles in sports clubs (Knop et al., 2004) and to give principles for good sports management (Beech and Chadwick, 2004) but literature on this is limited and often not specifically for soccer clubs. In addition, no clear definition could be found on what an 'excellent management of a soccer club' constitutes. There were some descriptions of what excellence means on the sports field, like Lyle

(1999, p. 314) who states that “excellence is a term reserved for sporting performance by those sportsmen and women who constitute the highest levels of achievement in competition,” and dell’Osso and Szymanski (1991) who remark that “relative performance is undoubtedly an important indicator of success.” However, both these statements relate to the actual performance on the field and not to the management of clubs.

This gap in the literature urgently has to be filled because, as previously remarked, the soccer industry has a potent impact on society, both economically and psychologically. It is, therefore, in the interest of society that soccer clubs are managed well, as Chadwick (2009) remarks: “There is a real need to understand the challenges faced by sport managers, and what the most effective ways of managing them are.” The gap potentially can be filled by applying the high performance organizations (HPO) framework (De Waal, 2006, 2008). This framework was developed after the identification of the factors that are important for creating an excellent organization and that have a direct relation with competitive performance. Because the research behind the framework is so wide-ranging and thorough – it encompasses not only structural but also the behavioral aspects of management and external and environmental circumstances and has been conducted worldwide – the application of the framework at soccer clubs can potentially lead to insight into what is needed to create an excellent soccer organization.

The research question dealt with in this paper therefore is: ‘Can the HPO framework be applied in the context of the soccer industry so that it can help improve the management of soccer clubs?’ The article is structured as follows. First we discuss the HPO framework. Its theoretical foundations and the practical research which led to the identification of the factors for high performance are given. After this, we apply the framework on clubs in the Dutch soccer league to evaluate whether the managers of these clubs are of the opinion the HPO framework can help them improve their management of the clubs. Then the research approach is described and the results of the interviews, conducted with the sport club managers, are summarized. We end the article with some concluding remarks and limitations to the research.

### 1. The high performance organization framework

There have been many publications on high performance organizations (HPO) but none of these have led to a unified theory, model or framework (see for an overview: De Waal, 2006, 2010). An attempt to unify the HPO literature was made by De Waal

(2006, 2010, 2012), by conducting a descriptive review of over 280 academic and practitioner publications on high performance. This descriptive review yielded a definition of an HPO: “A high performance organization is an organization that achieves financial and non-financial results that are better than those of its peer group over a period of time of at least five to ten years.” Then, for each of the 280 academic and professional studies found, those elements that the authors indicated as being important for becoming an HPO were identified. Because authors used different terminologies, the identified elements were grouped into categories which therefore constituted potential HPO characteristics. For each of the potential HPO characteristics the ‘weighted importance’ was calculated, i.e. the number of times that it occurred in the studies. Finally, the characteristics with the highest weighted importance were selected as the HPO characteristics. These characteristics were subsequently included in an HPO survey which was administered worldwide and which encompassed more than 3200 respondents. In this survey the respondents were asked to indicate how good they thought their organizations were performing on the HPO characteristics (on a scale of 1 to 10) and also what their organizational results were compared to their peer group.

The competitive performance was calculated using two formulas: (1) Relative Performance (RP): performance of the organization relative versus the performance of its peer group,  $RP = 1 - ([RPT - RPS] / [RPT])$  in which RPT = total number of peers and RPS = number of peers with worse performance; (2) Historic Performance (HP): performance of the organization the past three to five years versus the performance of its peers during that time period (choices: worse, the same, or better). These subjective measures of organizational performance are scientifically proven indicators of real performance (Dawes, 1999; Devinney et al., 2005; Glaister and Buckley, 1998). By performing a non-parametric Mann-Whitney test, 35 characteristics which had the strongest correlation with organizational performance were extracted and identified as the HPO characteristics. The correlation was as expected: the high-performing group scored higher on the 35 HPO characteristics than the group with lower performances. This means that organizations which pay more attention to these 35 characteristics achieve better results than their peers, in every industry, sector and country in the world. Conversely, organizations which score low on the characteristics rank performance-wise at the bottom of their industry. Subsequently, a principal component analysis with oblimin rotation of the 35 characteristics resulted in five distinct HPO factors. These five HPO

factors and the underlying characteristics are given in Appendix and described in more detail underneath. Further details on the statistics and the characteristics can be found in de Waal (2008, 2012).

The five HPO factors are:

1. *Management quality.* In an HPO, belief and trust in others and fair treatment are encouraged. Managers are trustworthy, live with integrity, show commitment, enthusiasm, and respect, and have a decisive, action-focused decision-making style. Management holds people accountable for their results by maintaining clear accountability for performance. Values and strategy are communicated throughout the organization, so everyone knows and embraces these.
2. *Openness and action-orientation.* HPOs have an open culture, which means that management values the opinions of employees and involves them in important organizational processes. Making mistakes is allowed and is regarded as an opportunity to learn. Employees spend a lot of time on dialogue, knowledge exchange, and learning, to develop new ideas aimed at increasing their performance and make the organization performance-driven. Managers are personally involved in experimenting thereby fostering an environment of change in the organization.
3. *Long-term orientation.* An HPO grows through partnerships with suppliers and customers, so long-term commitment is extended to all stakeholders. Vacancies are filled by high-potential internal candidates, and people are encouraged to become leaders. The HPO creates a safe and secure workplace (both physical and mental), and lays-off people only as a last resort.
4. *Continuous improvement and renewal.* An HPO compensates for dying strategies by renewing them and making them unique. The organization continuously improves, simplifies and aligns its processes and innovates its products and services, creating new sources of competitive advantage to respond to market changes. Furthermore, the HPO manages its core competences efficiently, and sources out non-core competences.
5. *Employee quality.* An HPO assembles and recruits a diverse and complementary management team and workforce with maximum work flexibility. The workforce is trained to be resilient and flexible. They are encouraged to develop their skills to accomplish extraordinary results and are held responsible for their performance, as a result of which creativity is increased, leading to better results.

The aforementioned HPO study showed that there is a direct and positive relationship between the identified HPO factors and competitive performance: the higher the HPO scores the better the performance of the organization, and vice versa. An organization can find out its HPO status by having management and employees fill in an HPO questionnaire and calculating the average scores on the HPO factors. As no soccer clubs participated in the HPO research, it still is an open question whether the HPO framework can be of value to these clubs to improve their operations. Therefore the framework was discussed with managers of several soccer clubs that play in the Dutch premiere league, to evaluate whether it potentially can help increase the performance of these clubs.

## 2. Research approach

This research can be characterized as exploratory as no previous research has been done into the factors that influence the performance of management of soccer clubs in the Netherlands and the HPO framework has not yet been applied in the soccer industry. In this study seven Dutch premiere league soccer clubs and the association of Dutch Professional Soccer Coaches participated, on the basis of confidentiality. In regard to the soccer clubs, they had to meet three criteria in order to be included in the study: participate at least five years in the premiere league, show stability in performance in the league table in that time, and be financially healthy in that time. The research was performed in two stages. In the first stage, discussion with one expert from each organization took place on whether the HPO factors and characteristics were, in the opinion of the interviewees, important for the management of their club. The definition of experts as used by this research was as follows (Cobuild, 1995): ‘An expert is a person who is very skilled at doing something or who knows a lot about a particular subject’. Because the study involves experts, it is assumed that information of reasonable quality will be put in (Rowe and Wright, 2001). Each expert was selected on the basis of their expertise in managing soccer clubs. To ensure this, each expert had to have at least five years of working experience in a soccer club in the premiere league, and should have gained this working experience on top management level in the club. The interviewees were first contacted by telephone, to ask for their cooperation. In total, ten soccer clubs were approached of whom seven consented to participate. Five of these clubs were considered to be successful in the public opinion, two of them were not. These last two clubs were added in the research as a control group, to test whether they considered the same things important as their more

successful colleagues. In preparation, the interviewees received an article on HPO of one of the authors (de Waal, 2010) and the draft interview questions. The interviews were semi-structured of nature: open questions to gather the characteristics the interviewees saw as important to create and sustain excellent management of a soccer club, and closed questions in which the five factors (and their underlying characteristics) were verified with the experts whether these were important to create and sustain excellent management of a soccer club. Each interview lasted between 1.5 and 3 hours and was conducted by two of the authors during the period of April-July 2009. The interviews were taped and subsequently transferred into interview reports. In case of uncertainty, follow-on enquiries were conducted with the interviewees by telephone.

In the second stage, the results from the interviews were gathered, analyzed and incorporated in a questionnaire. The questionnaire was structured as a series of statements (for example: *in the soccer club processes are continuously aligned*) which respondents had to score on a scale of 1 (meaning: our soccer club doesn't do this at all) to 10 (meaning: our soccer club does this all the time). The questionnaire was then discussed with one of the interviewed experts, to test its suitability. This was the case so no further changes were made to the questionnaire. Subsequently, another five interviewed experts were then asked to score, on a scale of 1 (not important at all) to 5 (absolutely necessary), how important each of the 35 characteristics in the questionnaire (see Appendix) were for creating and sustaining excellent management of a soccer club. The resulting scores were averaged to arrive at a final score of importance. This research basically used the Delphi method (Rowe and Wright, 1999). The Delphi study process is a recognized research technique and brings with it the rigor that helps to strengthen the validity of the research results. During the research process, the interviewees were 'confronted' with results from the first Delphi phase, the interviews, during the second Delphi phase in which the questionnaire had to be filled-in. In this manner, a general consensus was arrived at regarding the research topic, in this case the applicability of certain HPO characteristics for improving management of soccer clubs. In this research the Delphi Method was executed minimally, since the cycle of conclusions and feedback was only performed once. The experts did not have direct contact with one another regarding the research topic, so the social processes and contaminations that can happen in group situations was avoided. The researchers acted as facilitators during the research process.

### 3. Research results

In this section a summary is given, per HPO factor, of the opinion of the experts regarding the applicability of the HPO factors and characteristics for improving the management of soccer clubs. During the discussions many examples were given by the interviewees of the behavior of managers and employees in high performance soccer clubs (HPSC) and some of these examples are given in the form of quotes. Also, the importance score per HPO characteristic is given. To start, a definition of an HPSC is given.

#### 3.1. Definition of a high performance soccer club.

As mentioned in the literature section, no definition of a high performance soccer club could be found. Therefore, at the beginning of each interview, the experts were asked whether they could give a definition of an HPSC. All interviewees gave descriptions of HPSC rather than a precise definition. One of the difficulties for giving a definition is the fact that a soccer club consists of two parts: the soccer organization (which includes the first team, the youth education, trainer staff) and the management organization which supports the soccer organization (Commerce, Finance, Marketing, etc.). These two parts have to work together to create a high performance soccer club but at the same time they can operate quite autonomously. In addition, in the outside world the soccer organization is the most visible. So when talking about an HPSC, the question is which part of the soccer club is discussed or whether both parts can be incorporated in one definition.

One way forward is to collect the common elements in the descriptions given by the experts and subsequently summarize these into a working definition, which can function as the starting point for a more in-depth discussion about a general HPSC definition. The common elements were:

- ◆ There is a strong focus on continuity which is expressed in consistent policies and medium long-range plans which contain clear mission, vision and strategy. The policies and plans are executed by an organization which finds long term orientation a top priority. Operationally there are a good youth training program and high quality scouting, so future talent is safeguarded for the club. People are employed for a long time. The club aims at playing for a long time in the premier league, preferably at the same level.
- ◆ Financial management is conservative with a high budgetary discipline. The club is financially stable, with adequate equity.
- ◆ There is a mutual and well-understood dependency between the two parts of the club: the management organization has to have the right

quality so the soccer organization can perform optimally, while the soccer organization has to help the management organization in regard to activities in the outside world (f.e. with sponsors). A good soccer organization is however not possible without a good management organization. There are clear job demarcations, in both organizations but also between the two organizations.

- ◆ A top sport culture is created in all parts of the club. Qualitative good people are hired and trainer, technical staff, medical staff, management and administrative staff all want to continuously improve and innovate. Facilities, like the training and playing fields and buildings are well equipped and of good quality.
- ◆ When results on the soccer field are disappointing, the club does not panic and keeps it cool. Management knows it cannot become champion every year.

In comparison with the original definition of an HPO, 'an organization that achieves financial and non-financial results that are better than those of its peer group over a period of time of at least five to ten years', the main difference is that for soccer clubs the two parts have to be integrated and there is a strong focus on continuity. Taking the different focus of a soccer club into account, a working definition for an HPSC could be: *'a soccer club that is financially and sportingly stable for an extended period of time'*. This working definition could help a soccer club to keep focus in the daily commotion which is so characteristic for the soccer industry. The fact that this definition puts emphasis on both financial and sport results, and thus stresses that a balance is needed between both, is important as soccer clubs tend to only look at sporting wins, often at the detriment of financial stability (Garcia-del-Barrio and Szymanski, 2009).

**3.2. Management quality.** Quality of management is the foundation of an HPSC. As one of the interviewees described it: "The first team is the outer tire, inside is the rim which makes the tire roll. This tire constitutes the organization of the people surrounding the first team. These people must be of the highest quality. Looking at the soccer team, the trainer functions between the tire and the rim to get the first team on the correct pressure." Managers in an HPSC are constantly looking for people that (potentially) are better than they themselves are. "I always look for people that somehow function better than I do. The Head of Sales must be a better sales person than me. The Back Office people must be better in keeping records than I am. As manager I'm constantly busy improving people and giving them

room to excel in that which they are good at. It also saves me a lot of time when I employ the best people in their field." Managers in an HPSC, supported by a in general flat organizational structure, are heavily involved in daily operations. "As management we are very committed to be visible on the work floor.

For instance, employees that only say "cheerio" on the telephone will get immediate feedback that this is not how we do things. This makes them better and imprints the feeling that management is committed. Trying to manage from an ivory tower is the kiss of death for your organization." These managers are able to build and maintain a trust relation with their employees and thereby create a relationship between equals. The threshold for employees to enter management's offices is low and they could, in a manner of speaking, march right into contract negotiations. Managers give employees the space to excel in their area of expertise and support and coach them to achieve better results. "In the beginning employees constantly came to me to ask for permission and decisions. Slowly I have stimulated them to take decisions themselves.

People in general are capable of much more than they initially think. They can run a household, can't they, so why couldn't they run a company? They are getting this more and more and as a result our organization is becoming more decisive." In their relation with employees and stakeholders managers of an HPSC are honest, loyal, modest, transparent over the things they are going to do, and they listen well to their people. "He would come into the meeting room and wouldn't say anything, he was just listening to our experiences, he showed interest without wanting to interfere." These managers inspire by the way they address specific topics, make people starting to think, help people to excel, and invite people to join in certain activities. Typical statements in this respect are "just behave as always" and "you cannot make mistakes." In the case of the latter statement the manager implies the reverse and thus giving a signal of confidence to the employee. These statements are not only words, the managers also act accordingly. "We were very loyal to each other. This meant that internally we could be disagreeing but to the outside world, such as the media, we formed one front."

Managers of an HPSC are decisive with regard to non-performers. This is important because in soccer clubs in general there are a lot of people who have been in the club forever and do not perform on the level a professional organization requires. Managers strongly steered on delivering results and give direct

feedback when performance is lacking, followed by immediate corrective action.

For example, a soccer trainer who, despite achieving good results of the field, neglects his other duties in the club will be held accountable for this. Managers are also strong role models in everything they do, so there will be for instance no beer drinking during the match. They operate from a long-term view, involve their people in setting this view, and together work to realize this view. “If you have a vision and the people willing to work on it, than you shouldn’t be overly influenced by the results on the field. You should keep to the vision.” It is interesting to know that managers of an HPSC regularly ask themselves and others the reflection question: “What gives us energy and what costs us energy?” The answer on this question subsequently guides them in deciding what the things, worthwhile for spending their time and effort on, are.

Summarizing, the experts agreed that the following characteristics for the HPO factor “management quality” are important for a soccer club to focus on, in order to become an HPSC. The characteristics are given in order of the importance scores (on a scale of 1 to 5, 5 being the most important). These scores indicate how important the experts find the specific characteristic for improving the soccer club (see Table 1).

Table 1. Scores for the HPSC-factor management quality

Management focuses on achieving results	(4,7)
Management is a role model for organizational members	(4,7)
Management has integrity	(4,7)
Management coaches organizational members to achieve better results	(4,3)
Management applies strong leadership	(4,3)
Management is trusted by organizational members	(4,2)
Management is very effective	(4,2)
Management is confident	(4,2)
Management is decisive with regard to non-performers	(4,2)
Management applies fast action-taking	(3,7)
Management applies fast decision-making	(3,0)

**3.3. Continuous improvement.** AN HPSC looks carefully at its own identify and strengths and propagates these to the region in which the club is established. The identikit of the club dictates for a large part the way in which soccer is offered to this region and (potential) sponsors and supporters. All the while, the club is searching for new strategies in which the core product of soccer can be experienced, and manners in which sponsors and supporters can be offered more so they feel stronger ties to the club (De Heij et al., 2006). An example is developments in the area of social responsibility which are core to the

HPSC. “You can create a lot of goodwill by actively encouraging players to make contact with groups in the society that have difficulties. And it is always good as a club to give back to society.” Starting for a culture in which it is allowed to make mistakes, employees are encouraged to develop new services in their area. Therefore innovation can be found in all parts of an HPSC, not only in customer-oriented departments like sales and sponsoring but also supporting departments like the financial department. This innovation not only shows in new marketing campaigns for further strengthening ties with sponsors and supporters, but also in continuously optimizing current processes. An example is centralizing all secretariats in the club so the customer always has one point of contact. These improvements and innovation are started bottom-up. “Our physiotherapist came up with the idea to close a collective contract with a health insurer which not only saved the club a lot of money but also increased the quality of the contact processes between us and the insurer.”

Summarizing, the experts agreed that the following characteristics for the HPO factor “continuous improvement” are important for a soccer club to focus on, in order to become an HPSC. The characteristics are given in order of the importance scores. These scores indicate how important the experts find the specific characteristic for improving the soccer club (see Table 2).

Table 2. Scores for the HPSC-factor continuous improvement

The soccer club continuously innovates its core competencies	(5,0)
In the soccer club processes are continuously aligned	(4,5)
In the soccer club processes are continuously improved	(4,3)
The soccer club has adopted a strategy that sets it clearly apart from other soccer clubs	(4,2)
In the soccer club everything that matters to performance is explicitly reported	(4,0)
In the soccer club processes are continuously simplified	(3,5)
The soccer club continuously innovates its products, processes and services	(3,5)
In the soccer club both financial and non-financial information is reported to organizational members	(3,0)

**3.4. Employee quality.** Next to the quality of management the quality of employees is seen as the foundation of an HPSC. “Taking responsibility characterizes our employees, they want to grow. “Employees of an HPSC are highly committed to the club, which shows in them putting the interest of the club above their own interest. AN HPSC appoints new employees with the thought that these persons will raise the quality level of their functions and ultimately of the club. This way employees are busy earning back their salaries. Before they get a fixed contact employees, on all levels, have proven them-

selves in a trial period. “As soccer club we try to continuously improve ourselves by encouraging people in the organization to become better and better. The employees who started in the club these past few years were all highly educated and ambitious. We select mainly on potential and development perspective. And we give temporary contracts so the new people have and can prove themselves.” Employees want to be held accountable for their results. They constantly raise the bar for themselves and their colleagues. They are inspired by attractive goals like participating in European competitions and the potential of being part of the Champions League.

The workforce of an HPSC is diverse, complementary and willing to learn. “It is important to me to be able to work together with many different persons, from high to low in the organization, to learn how to cooperate well. Then we will be able in difficult times to help each other. “In addition, employees are enterprising and regularly come up with new initiatives that will help the club to achieve its objectives. They often go to other clubs to jointly work on projects and to learn from the people in those clubs. With the acquired knowledge they start new initiatives in their own club. Especially for scouting it is important to maintain good working relations with other organizations, to timely spot new talent by getting tips and information. Finally, employees of an HPSC are flexible and resilient in dealing with the pressures, the commotion and media attention, to come with working for a club in the premier league. “The profit and loss statements of the club are in the newspapers every Monday morning.” The employees stick to the outlined vision and do not let sportive successes (or failures) influence them too much.

Summarizing, the experts agreed that the following characteristics for the HPO factor “employee quality” are important for a soccer club to focus on, in order to become an HPSC. The characteristics are given in order of the importance scores (Table 3).

Table 3. Scores for the HPSC-factor employee quality

Management inspires organizational members to accomplish extraordinary results	(4,3)
Management always holds organizational members responsible for their results	(4,2)
The soccer club has a diverse and complementary workforce	(4,2)
Organizational members are trained to be resilient and flexible	(3,0)

**3.5. Openness and action orientation.** Within an HPSC a ‘top sport culture’ can be found. This entails a performance-driven culture in which everybody strives to become better, help others to im-

prove their results, and just plainly deliver results. It is a culture where people state: “You have to be here because then you can excel” and where everybody comes up with ideas for improvement. This culture originates from the role model behavior, not only from management but from everybody, from the receptionists, administrators, commercial staff, lawyers, medical staff to the players. This role model behavior in turns originated from a shared performance-driven mindset. This mindset expresses itself in the commercial department which tries to market the club as best as possible, in the players’ staff which helps the players to excel individually and as a team, and managers that coach their employees to achieve extraordinary results. In this culture giving and receiving open and honest feedback is the norm. “You don’t address someone seriously about his bad performance in public, you take that person aside to speak one-on-one, so the person doesn’t lose face.” Feedback is not saved for the annual evaluation meetings and performance reviews but is immediately given so the person can learn from it. This comes quite naturally in an HPSC as direct feedback is also the norm on the playing field during the game. “Positive feedback is the flywheel of improvement.” In addition, agreed upon actions are followed up by a regular review of progress and results of these actions.

The central issue which occupies everybody in an HPSC is: ‘How can I increase the success of the club?’ AN HPSC fosters this kind of thinking. “This way of thinking makes sure that our staff, when undertaking activities, always thinks how this will help increase the performance not only of themselves but also of the club.” In this regard, managers and employees engage frequently in dialogue. Managers especially listen to the ideas and experiences of their people, to look how they are doing, and to be available to them in case they need help when undertaking improvements.

Openness and action orientation therefore is an important part of the culture. “Within a soccer team it is important to make selections. Somebody can be fantastic on one level but as the team has to improve all the time maybe the individual is not up to par. The action orientation drives you to continuously ask yourself the question whether the current crew can achieve the next level. And if this is not the case, you have to take preventive action. You have to be open about this when selecting another trainer or new players. If you have a dialogue about this with the team you can keep the peace. This is not only true for the soccer players and the trainer but for everybody in the club. We talk here about a top sport culture so you can expect everybody to think and act in the same way.” People of an HPSC are



proud of their club and dare to make mistakes when trying to implement improvements. In fact, they are urged by their managers to try to do new things and to continuously renew. “You have good and bad mistakes. If you want to develop, you’ll make mistakes. You stimulate each other to at least try. If you then fail, it’s still a good mistake. You have to try. A striker who stands still when a cross is given will never score. Movement is improvement, the intention behind the move stipulates whether the mistake is good or bad. And then you have to be able to start again after a mistake, admit the mistake and move on.” Everybody within the club exchanges information and ideas which facilitates the dialogue and the culture of improvement. They often visit other soccer clubs to ‘look and learn’ by achieving new knowledge and ideas.

Summarizing, the experts agreed that the following characteristics for the HPO factor “openness and action orientation” are important for a soccer club to focus on, in order to become an HPSC. The characteristics are given in order of the importance scores (Table 4).

Table 4. Scores for the HPSC-factor openness and action orientation

The soccer club is performance driven	(5,0)
Organizational members spend much time on communication, knowledge exchange and learning	(4,3)
Management welcomes change	(4,0)
Management frequently engages in a dialogue with employees	(3,7)
Management allows making mistakes	(3,3)
Organizational members are always involved in important processes	(3,2)

**3.6. Long-term orientation.** Long term orientation starts with the managers of the club who should commit themselves for a long time to the club. The club sees that the working environment for employees is safe in the sense that they have job security. If dismissal has to take place it will be done in a proper way such that ex-employees can leave the organization with their heads held high. This way, even after they have left they will still be ambassadors of the club because they do not hold grudges. This ambassadorship starts when employees start working for the club. “If for instance a new player signs a contract with our club, his complete family is invited to the public signing. Somebody takes care of his wife to familiarize her with her new surroundings, where she can do her shopping, where the kids can go to school. This does not cost too much time and effort and the result is that the new player and his family feel welcome at the club, so a lot of goodwill is cultivated. And the player will become an ambassador of the club.

AN HPSC makes sure it has good relations with stakeholders. Long-term partnerships are entered into with third parties like suppliers, municipalities, and the police. An extended network is maintained with different societal groupings so strong ties to the local communities with their supporters and sponsors are created. Commitment in the region is essential for the club and it can be increased by letting players from the first team regularly meet with stakeholders, especially weaker groupings in the society, so they can be a role model for them. “The boys of the first team have to know for whom they are playing. They have to realize where the supporters are coming from, what the culture of the club and the community is, and which people live in the region but cannot come to the stadium.” AN HPSC carefully selects partners to strengthen knowledge areas in which the organization is not strong, so customers can still be serviced optimally. Soccer has a certain ‘magic’ which entices companies to become sponsors and the HPSC takes optimal advantage of this in order to be able to grow. The same carefulness is employed when selecting new trainers and players. In the case of a trainer it is meticulously checked whether his characteristics (character, soccer results, coaching abilities, expertise, vision on soccer, team abilities) fit the profile of the club. When attracting new players a discussion is conducted with them on their vision how they can help the club improve and grow.

In the league many clubs work together and share information. This can give some tension because some knowledge entails competitive advantage. Staff of an HPSC is good in dealing with this tension. They focus especially on sharing information on long-term oriented themes like organizational structures, safety around the stadium, commerce and marketing, and building communities with stakeholders. In this way, an HPSC is continuously looking for ways to create added value for their sponsors and supporters. Management of an HPSC is good at focusing in a disciplined manner on the things that are crucial for long-term success by developing and maintaining a long-term vision. This vision however cannot always be communicated to the outside world. “Communicating your long-term vision can be dangerous. On one hand you run the risk to be severely judged on this vision before you even start working on it. This happens for example when an average performing club announces at the start of the competition in the next years it wants to be a contender for the title. It will be slaughtered in the media with every draw or loss. On the other hand, supports will not take it if you for example announce that this is a transition year. So you have to be very careful what you communicate.”

Summarizing, the experts agreed that the following characteristics for the HPO factor “long-term orientation” are important for a soccer club to focus on, in order to become an HPSC. The characteristics are given in order of the importance scores (Table 5).

Table 5. Scores for the HPSC-factor long term orientation

The soccer club grows through partnerships with suppliers and customers	3,8
The soccer club maintains good and long-term relationships with all stakeholders	4,5
The soccer club is aimed at servicing the customers as best as possible	4,5
Management has been with the company for a long time	4,0
New management is promoted from within the organization	3,0
The soccer club is a secure workplace for organizational members	2,7

**Conclusion**

The research question dealt with in this paper was ‘Can the HPO framework be applied in the context of the soccer industry so that it can help improve the management of soccer clubs?’ Finding an answer to this research question was urgent as there could be found any literature that related to the effective management of soccer clubs in the sense that these clubs performed well, both financially and on the sports field. Because no literature was available, the

answer was looked for by experts from the soccer industry itself by interviewing them on aspects of high performance in relation to soccer clubs. As a guideline for these interviews the HPO framework was used, as this framework had been proven to be valid in many different industries and could therefore be expected to be applicable for the soccer industry.

From the interviews it became clear that the experts all acknowledged that the five factors of the HPO framework are of importance to soccer clubs and can therefore be applied to safeguard the continuity of these clubs. ‘Continuity’ is used instead of ‘improvement’ because from the discussion about the definition of an HPSC it became evident that the focus of soccer clubs ultimately is on continuity, i.e. surviving financially and on the soccer field. The HPO framework therefore should be used to foster this continuity and it can be reached by improving the 35 individual characteristics. As Figure 1 shows, the importance of all factors is almost equal, with “Management quality” being the most important one, with fits with the overall outcome of the HPO research which shows this factor in general is the most important one for creating and maintaining an HPO (see Appendix for the detailed results).

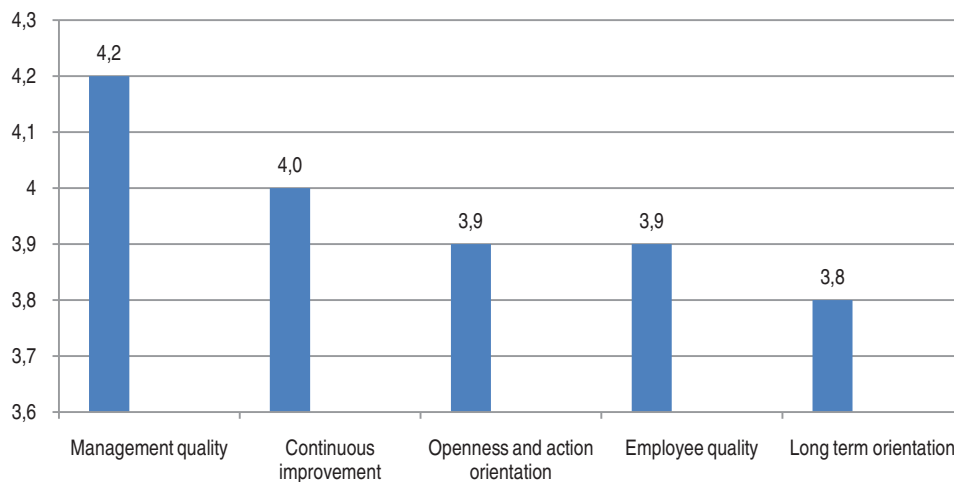


Fig. 1. Priority of HPO factors for soccer clubs

It is interesting to note that the focus on continuity does not necessarily mean, in the opinion of the experts, that the factor “long-term orientation” should be the most important for a soccer club. The experts clearly see high quality managers as the precondition for the pursuit of continuity, and the other factors are placed in service of this main factor.

In conclusion, the research can be answered affirmative. This means that soccer clubs can use the HPO framework in their quest to becoming excellent and thereby guarantee their continuity. So management

of soccer clubs can now specifically start working on fostering the continuity of the club by applying the HPO framework on the two parts of the club, the sports organization and the management organization. The first step is to let all managers and employees fill-in the survey.

After analysis of the results, discussions should taken place in the club on these results and needed improvements. These improvements should be put in an action plan that subsequently should be energetically executed. After a period of two years the survey has

to be filled-in, to evaluate progress and, if needed, to formulate additional improvement actions.

The research described in this paper has several limitations. Scientific literature on the improvement of the management organizations of soccer clubs and on creating a high performance soccer club is very limited. The theoretical foundation for the HPSC therefore had to be derived from other literature, i.e. the HPO literature, which potentially might be less suitable to the soccer industry. The finding that a soccer club consist of two parts, the soccer organization and the management organization, and both have to be improved simultaneously and in conjunction, has not been previously described in the management literature, so this finding cannot be verified. Only a limited number of experts and clubs has participated in the study. Adding more experts and clubs might have made the findings more robust.

The experts were chosen on their willingness to participate. Potentially experts who have a different view on the matter have been excluded because they were not available.

Further research should aim to neutralize these shortcomings. The shortage of literature cannot be remedied but adding more experts certainly can. Also, the research can be done with soccer clubs in other countries, to evaluate whether the framework for HPSC transcends a country's borders. During discussion with the participants more in-depth research into the HPO characteristics should take place so these become more tangible and useable for soccer clubs to be able to improve these. Finally, the HPO survey should be administered at several clubs to get data on the actual HPO performance and to be able to evaluate what the main issues are for soccer clubs to actually become HPSC.

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## Appendix

In this Appendix 35 characteristics are listed per HPO factor, and the average scores as given by the experts are given (in a scale of 1 to 5).

Table 1A. The HPO factors and their aspects

HPO characteristic	Average score
Continuous improvement	
1. The soccer club has adopted a strategy that sets it clearly apart from other soccer clubs.	4,2
2. In the soccer club processes are continuously improved.	4,3
3. In the soccer club processes are continuously simplified.	3,5
4. In the soccer club processes are continuously aligned.	4,5
5. In the soccer club everything that matters to performance is explicitly reported.	4,0
6. In the soccer club both financial and non-financial information is reported to organizational members.	3,0
7. The soccer club continuously innovates its core competencies.	5,0
8. The soccer club continuously innovates its products, processes and services.	3,5
Openness and action-orientation	
1. Management frequently engages in a dialogue with employees.	3,7

Table 1A (cont.). The HPO factors and their aspects

HPO characteristic	Average score
2. Organizational members spend much time on communication, knowledge exchange and learning.	4,3
3. Organizational members are always involved in important processes.	3,2
4. Management allows making mistakes.	3,3
5. Management welcomes change.	4,0
6. The soccer club is performance driven.	5,0
Management quality	
1. Management is trusted by organizational members.	4,2
2. Management has integrity.	4,7
3. Management is a role model for organizational members.	4,7
4. Management applies fast decision-making.	3,0
5. Management applies fast action-taking.	3,7
6. Management coaches organizational members to achieve better results.	4,3
7. Management focuses on achieving results.	4,7
8. Management is very effective.	4,2
9. Management applies strong leadership.	4,3
10. Management is confident.	4,2
11. Management is decisive with regard to non-performers.	4,2
Workforce Quality	
1. Management always holds organizational members responsible for their results.	4,2
2. Management inspires organizational members to accomplish extraordinary results.	4,3
3. Organizational members are trained to be resilient and flexible.	3,0
4. The soccer club has a diverse and complementary workforce.	4,2
Long-term orientation	
1. The soccer club grows through partnerships with suppliers and/or customers.	3,8
2. The soccer club maintains good and long-term relationships with all stakeholders.	4,5
3. The soccer club is aimed at servicing the customers as best as possible.	4,5
4. Management has been with the company for a long time.	4,0
5. New management is promoted from within the organization.	3,0
6. The soccer club is a secure workplace for organizational members.	2,7