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**The Social Value of Football Research Project for
Supporters Direct**

**Phase One - Interim Report
Literature and Methodological Review**

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1. Introduction

Supporters Direct has commissioned Substance, a social research cooperative, to conduct a year-long research project about the social and community value of football. This research is to:

- Investigate ways in which we might measure or account for the social and community 'value' of football clubs
- Identify evidence of the added value alternative fan or community ownership structures might bring.
- Outline how the community roles of football clubs relate to wider regulatory issues.

The research will be used to:

- Strengthen the case for supporter ownership in football
- Strengthen the case within Supporters Direct for trusts to deliver community benefits and to 'make the next step' in their development
- Provide best practice evidence, practitioner guides and solutions to barriers

The research has been organised in three phases.

The first phase was to explore ways in which people measure social or community values and impacts. Substance sub-commissioned a number of experts to outline ways that they would measure social value. Outputs from this phase include this report, a series of working papers commissioned by Substance for the review and a seminar for key stakeholders in football.

The second phase involves more in depth research with a number of clubs to pilot some of the approaches discussed in phase one. This will also involve research into regulatory implications. Outputs from this will be the principle data for this research. This will be analysed against the research questions and produce the basis for the final report.

The third phase is to disseminate research findings to the Supporters Trust movement, football and policymakers. This will include a Final Report and a summary public report; tool kits for clubs and trusts; a presentation at the Supporters Direct conference in 2009 and potential popular media articles.

The purpose of this report is to summarise learning from the literature and methodological review in phase one. It will look at the different ways the following questions have been approached:

1. How can we value the impacts of a club on its local community?
2. How can that impact be assessed through different methodologies?
3. How can we account for football clubs as a force for good and a conduit for community engagement, increasing social capital, innovative solutions and community cohesion?

The approach to the subject has been inclusive of other researchers in this area and we have commissioned a number of Project Working Papers as part of the review. These focus particularly on the issue of measuring social value but also consider how the wider issues might be approached. The papers are available for free download on the project website (<http://valuefootball.substance.coop>).

Following the publication of the working papers we organised a research seminar bringing together researchers and academics with representatives from all different sectors of football. Details of that seminar are also available on the project website, where there is also the opportunity to add comments and contribute to the debate.

As such, this report is deliberately brief and provides a summary of work undertaken to date. It will

- Outline the key questions
- Summarise the approaches to researching social value
- Review the appropriateness of these to the research in question
- Outline the approach to the case study work that is now being undertaken.

The research is due to report in the autumn of 2009.

2. Research Elements

The methodology for the primary research needs to help us approach a range of questions posed by Supporters Direct. These have been organised into a series of work packages, with key questions identified below.

Work Package 1: The Value of Football

- i. How can we value the impact of a club in its local community, including positive and negative impacts? How can that impact be assessed through different methodologies?*
- ii. In what ways are football clubs publicly supported and how does this differ to support for arts and cultural organisations?*
- iii. How can football clubs help generate civic pride, positive community impacts and help generate community engagement and cohesion?*

Work Package 2: Barriers to Realising Community Value

What local barriers do football clubs face in maximising their value to local communities; and what additional barriers do supporter or community owned clubs face? These may include institutional barriers; local organisational relationships; lack of capacity and resources; funding issues; relationships and tensions between 'core' club operations and community outreach/interventions. This also needs to include ways in which structures of club ownership impact upon the realisation of clubs' community value.

Work package 3. Local Solutions and Alternative Options

This set of questions is to provide more in depth detail about current practice, the added value of community and/or supporter ownership and to identify best practice. There are essentially two sets of questions to this work package.

- i. Sustainability*
How can development of community or mutual ownership of clubs make them more sustainable?

ii. *The Added Value of Supporter or 'Community' Ownership for Clubs and Local Communities*

- *What are the business advantages of supporter, community or member ownership?*
- *How can supporter or community ownership most effectively help build local partnerships (including with local authorities)?*
- *Does supporter/community ownership help create clubs as community 'hubs'?*
- *Are supporter/community owned clubs more able to deliver positive outcomes on a range of agendas?*
- *What is the Best Practice in fan ownership?*

Work package 4. Regulatory Implications

What are the implications of the research in terms of football governance and national and EU law?

The purpose of this report is not to provide answers to all of these questions but to outline the ways in which we will approach the primary research that does seek to provide evidence in relation to these questions. The working papers and focus of the literature review has in particular been around issues of methodology in researching social value (work package 1) and in particular the question:

How can we value the impact of a club on its local community, including positive and negative impacts? How can that impact be measured through different methodologies?

3. Football and Community

3.1 Background

Football's origins lie within communities both in terms of the folk game and its adoption by working class communities in the late 19th and early 20th centuries. Many of the clubs of today sprang from work, church, social and community teams, and they became representative of towns, cities and suburbs, and focal points for the formation and expression of local identities¹.

Over the course of their history, relationships have developed between clubs and local businesses, citizens and residents, community groups, schools, local authorities and other stakeholders. These long standing and deep rooted bonds between clubs and local communities have never been easy or straightforward, nor necessarily welcomed by some. Each of these relationships will entail both positive and negative 'impacts' on different groups of stakeholders - and the 'value' of those impacts can be interpreted in both 'quantitative' (e.g. numbers of local people employed) and 'qualitative' (e.g. how people feel about the club, how they experience the club) ways.

As football has become increasingly globalised and commodified, the range of these relationships has stretched beyond the merely local, particularly with top flight clubs that

¹ Brown, Crabbe and Mellor (2003) *Football And Its Communities, Interim Report 1: Baseline Analysis Of Case Study Football And Community Initiatives*: 8

have become international 'brands' and in many ways very different entities to clubs lower in the English football pyramid. Most football clubs are not global leisure brands. They rely on the support of local communities and businesses to exist, rather than on corporate advertising and television revenue; and they retain a desire and a focus to engage local people and organisations in a number of ways. However, even major clubs still rely heavily on match day supporter communities for income and many have extensive community programmes.

We also have to recognise that clubs exist in very different local contexts, with different ownership structures and aims, at different stages of development and relationships to other clubs. This makes any simple comparative approach very difficult to apply.

The 'value' to local communities will vary from club to club, dependent on location, historical context, ownership and club practices. As SROI and social accounting approaches both stress (see below), getting an understanding of the different stakeholders in football clubs and the different (positive and negative) impacts of the club's activities in the broadest sense on those, is fundamental to understanding football's social and community value.

Partly as a result of football's historic community relationships, clubs are often referred to as being 'central' to local communities, or of great importance - and value - to them. Indeed, these arguments fall within a broader European understanding of the social value of sport. The European Commission's *Helsinki Report on Sport* argued the need to safeguard current sports structures in order to maintain the social function of sport within the Community framework. The *Nice Declaration (2000)*, *European Model of Sport (2000)* and the *European Sports Charter (2001)* further entrenched the notion that sport was of social value within Europe and this has most recently been outlined in the European Commission *White Paper on Sport*.

There is some evidence to support these claims and of clubs' impact, locally. However, the *White Paper* itself calls for a move to more evidence based policy, a recognition that policy has not necessarily been based on firm evidence to date.

However, the importance of this project is not just to provide evidence of community roles of clubs but to explore ways in which clubs and supporters' trusts might begin to undertake this sort of evaluative work themselves. The value of doing this is more than academic, as Rose Casey Challies has argued in her working paper:

'Potential strategic benefits from football organisations measuring its social impact can include:

- Increased understanding of the community it serves
- Improved participation and support of the sport
- Improved participation in football leadership and innovation
- Increased motivation of staff through closer relationships to the grassroots of the sport²

² Rose Casey Challies (2008) *Measuring the Social Impact of Football*, http://valuefootball.substance.coop/files/Rose_Casey_Challies_Social_Impact_of_Football_Critique.pdf

Crucially, much of the evidence there is in England about clubs' local impact is connected with the impact of community programme interventions - activities designed to provide services for particular groups or areas - rather than the overall impact (and social value) of the club and its core operations as a *whole*. This might *include* the club's community scheme, but also all its other activities and routine things like employment, purchasing and facility development. As such, in thinking about the social value of football clubs, we need to differentiate between and understand the different roles of:

- The 'direct' community interventions by club's community schemes
- The overall operation of the club as a local institution and its positive and negative impacts

3.2 Direct Community Interventions

Since the 1970s, as a result of a perceived disjuncture between clubs, local communities and wider policy imperatives, there have been more instrumental attempts to build beneficial relationships between clubs and communities.

As outlined in our working paper, this has developed from being Sports Council³ lead, to being run via the Football In The Community Schemes (FITC), funded by the Footballers' Further Education and Voluntary Training Society, based at the PFA, to now the Football League Trust, Premier League and the extensive funding of the Football Foundation.

These community *interventions* are usually undertaken via clubs' community schemes. Many of these are semi-independent charities, which are arm's length legal entities. Club, league and other social programmes which schemes help deliver also, to varying degrees, attempt to evaluate and account for their activities.

3.3 Wider Club Community Roles and Value

Our research for the Football Foundation - *Football and its Communities* - suggested that clubs need to think about and organise their community roles in two main ways:

All levels of football can develop new structures and methods of working which will enable them to develop better relations with their multiple communities. The proposed approach is based around two connected strategies:

- The first is the creation of new and independent community organisations at clubs which will be 'outward facing' and will work on developing community interventions in areas such as health, education, community safety and regeneration.
- The second is the development of a more holistic approach towards community issues which cuts across the full range of football clubs' activities ⁴

Both of these ways of thinking about community impacts inform an understanding of a club's community or social value.

³ A forerunner of Sport England.

⁴ Brown, Crabbe and Mellor (2006): *Football and its Communities: Final Report*, London: Football Foundation: 23. See also Brown, A, Crabbe, T and Mellor, G (2008), *Football and Community in a Global Context: Studies in theory and practice*, London: Routledge

As stated above, many clubs now have independent community organisations operating as charitable bodies which are to varying degrees evaluated. However, outside of the specific interventions of community programmes, there is a relative lack of evidence to support arguments that football clubs as a whole are of value to their local communities in which they are situated and of the impact of clubs in a more holistic manner. There are even very few studies of the local *economic* impact that clubs make⁵. Indeed, it is arguable that within clubs there is less understanding of how they impact on communities in these other ways.

These local roles might include:

- degrees of local employment
- whether there is a local purchasing policy
- minimising disruption to residents, including travel and parking schemes
- facility redevelopment
- liaison with local community groups
- extent of local resident membership and attendance
- ticketing policy with local preference schemes
- involvement of supporter communities in the club
- involvement of leading staff in local initiatives, forums and networks
- relationships with the local authority

Most approaches to understanding the community or social value of organisations stress the importance of analysing both the negative and positive impacts of an organisation, the different perspectives of a full range of stakeholders and an understanding of the many different operations of a company that can impact locally. Likewise, our more ethnographic research for *Football and its Communities*, attempted to review the different roles three case study clubs and the different perspectives of four groups of stakeholders:

- local residents
- local businesses
- supporters
- disadvantaged communities⁶.

This understanding forms the basis of the approaches considered within this project to investigating the community and social value of clubs.

⁵ Johnstone, S, Southern, A, Taylor, R (1999) *The Football Business and the Merseyside Economy*, available at <http://www.liv.ac.uk/footballindustry/impact.html>

⁶ All three Interim Reports for the Football and its Communities research are available at: http://www.substance.coop/publications_football_and_its_communities

4. Potential Benefits of Mutual, Fan and Community Ownership

A key aspect of the research project is to understand better the difference that fan, community or mutual ownership makes to potential and actual social and community impacts, business advantages and benefits in terms of the sustainability of football clubs. Within the review of literature we have also looked at different studies that have analysed the benefits of member ownership of companies and these will help inform the questions to be asked during the case studies.

4.1 Mutual Business

There is considerable evidence of the benefits of involving stakeholders in businesses and businesses often state their commitment to stakeholders, as Post *et al* argue⁷, quoting a global pharmaceutical firm's website: 'Our long term success is founded on meeting the expectations of all our stakeholders – our customers, our people, our shareholders and the communities in which we live.' They go on to say that 'some association between conventional indicators of corporate performance and the presence or absence of stakeholder-oriented policies and practices has been extensively explored in the academic literature...'. Of a review of 83 studies, 'only three studies conclude that social and financial performance are negatively associated (poor social performance accompanied by good financial performance).'⁸

Mutual business arguably offer a better and more direct route to gearing the business to its stakeholder interests by making stakeholder groups owners. An important question for this study is 'are mutuals more likely to have those social objectives than other forms of company?'. For example, cooperatives (of which supporter trusts are one form) routinely state objectives to benefit the wider community and uphold cooperative values.

One way in which stakeholder involvement can improve business performance is in encouraging longer term thinking. Wheeler and Sillanpaa⁹ argue that available evidence suggests that companies that are run with a view to the long term interests of their key stakeholders rather than a short term interest in their shareholders are more likely to prosper. Hutton (2007) has argued that since the 1970s there has been a sharp rise in 'the atrophy of regulation, and short-termism in business strategy'. This has produced a corporate governance regime with its emphasis on short-termism, shareholder value, and consequent propensity to hostile take-over, something exacerbated by the lack of long-term investment relationships in Western businesses (Hutton 1995)¹⁰.

Mamman and Saffu have said that the preoccupation in Western companies with 'pecuniary considerations, myopic decisions, work process control, hasty adoption and quick abandonment of novel ideas' has been partly due to the pressure from

⁷ Post, J, Preston, L, Sauter-Sachs, S (1999) *Redefining the Corporation Stakeholder Management and Organizational Wealth*, Stanford University Press, Stanford, CA

⁸ *Ibid*: 27

⁹ Wheeler and Sillanpaa (1997) *The Stakeholder Corporation: A Blueprint for maximising stakeholder value* Pitman: London

¹⁰ Hutton, W (2007) *The Writing on the Wall: China and the West in the 21st Century*, London: Little, Brown: pp 284. Hutton, W (1995) *The State We're In: Why Britain is in Crisis and How to Overcome it*, Vintage

shareholders and the stock-market and the objectives of the organization.¹¹ Such pressures are reduced in mutual ownership. Within the insurance sector, other studies have cited empirical evidence 'that suggests stock insurers have more risk than mutuals... Further evidence suggests that stock insurers write relatively more business than do mutuals having higher risk.'¹²

Further studies of building societies¹³ have suggested a broader range of business and social advantages of mutual ownership:

- Profit is invested back into the business
- As there are no external investors focussed on increasing their returns, the business needs only to achieve sustainable medium-term growth plans rather than high-return but risky or self-defeating strategies
- They are perceived by users/members as more trustworthy
- Because they are run by and for members, they tend to have more focus on corporate social responsibility. They also tend to have a strong regional identity and commitment to assisting community initiatives and local charities
- Increased accountability associated with member ownership
- They are more personal
- The enterprise is run in the interests of its customers or users, as there are no investor-stakeholders whose desire for returns conflicts with the user base's desire for a service to be provided, or the wider community's need for the service to be provided at a certain level

Mills¹⁴ argues that although investor-owned companies dominate the economies of the major industrial nations - with a particular focus on privatisation in the UK - this has recently been criticised for having created organisations where share prices are given priority over safety, where a focus on dividends comes before quality of services and where high rewards are paid to executives when the public is dissatisfied with the service they are receiving and paying for. Recent events in the global economy seem to re-emphasise the points Mills has made.

Mills argues that a number of benefits come with mutual ownership:

- **Community ownership:** means decisions made based on the interest and livelihoods of those that will be affected. Through their involvement in ownership, communities or groups of users (in the case of football, its fans and local populations) become more aligned - a point that has been used by those advocating supporter ownership.
- **Democracy:** all members have the opportunity to participate democratically in the organisation. Because membership is open to any person in receipt of the services, there is no financial barrier excluding those who cannot afford membership. This

¹¹ Aminu Mamman, Kojo Saffu (1998) 'Short-termism, control, quick-fix and bottom line: Toward explaining the Western approach to management' *Journal of Managerial Psychology* Volume: 13; Issue 5/6; Pp: 291-308

¹² Joan Lamm-Tennant and Laura T. Starks (1993) *Stock Versus Mutual Ownership Structures: The Risk Implications* Chicago: The University of Chicago Press

¹³ Building Societies Organisation (2008) *Building societies and other types of organisation* The Times 100 http://www.thetimes100.co.uk/downloads/bsa/bsa_13_full.pdf

¹⁴ Mills, C. (2001) *Ownership Matters*, New Mutual Business Matters, <http://www.caledonia.org.uk/papers/Ownership%20Matters.pdf>

effectively means that those running such organisations are accountable to the community they are serving.

- **Citizenship:** The ability to become a member, to receive information, attend and speak at meetings, to vote and to participate in democratic structures, all provide opportunities for individuals in a community to participate and have a role as a citizen within the community. Democratic organisations run for the benefit of the community enable individuals to influence and have a real sense of involvement in the life of their community.
- **Employee participation:** The opportunity exists for including employees within the constitutional structures of the organisation.
- **Long-term thinking:** Investor-owned companies and specifically the Stock Market have for many years been criticised for leading to short-term thinking. The focus on the best interests of the company – effectively share-price and profitability – together with executive reward schemes based on share options encourage decision-making, which brings tangible quick results. The boards and executives of mutual organisations are freed from this disadvantage. They can and must take decisions based on what is in the interests of the organisation in serving its community. Those interests manifestly include both the longer-term interests of current members of the community, but also future generations.

Bruque et al.¹⁵ outline further advantages of democratic ownership and control:

- The ownership structure defines the institutional basis for power relationships both internally and externally. A democratic structure therefore lends itself to the institutionalisation of democratic power relations.
- Within a share based company the underlying motivation is return on investment. With democratic ownership the main incentive is the satisfaction of common socio-economic goals
- Communal ownership legitimises the capacity to take decisions democratically amongst the members to determine the organisation's objectives and the pursuit/fulfilment of these objectives.
- Democratic ownership has a distinctive culture based on certain principles and values such as equity and democracy
- The member-ownership system plays an important role in that it generates collective behaviour and drives individuals to take an active part to control and promote their own and the collective interest.
- The double role of member-client, or member-supplier, which arises in cooperative/member controlled/owned organisations, could lead to an increase in commitment by the people involved in building the company and also to increased satisfaction with the organisation because of this increased participation.

4.2 Football and Mutualism

Several studies in recent years have stressed the advantage and relevance of fan and mutual ownership in football in particular. Stephen Morrow¹⁶ has emphasised the serious conflict between the role of football clubs as profit-seeking businesses and football clubs

¹⁵ Bruque *et al.* (2003) 'Ownership structure, technological endowment and competitive advantage: Do Democracy and Business Fit?' *Technology Analysis & Strategic Management* 15 (1)

¹⁶ Morrow, S. (2003) *The People's Game (Football, Finance and Society)* Palgrave MacMillan, Basingstoke

as social institutions. In this lies an argument that a football club is not only a community-based organisation, it also has an effective monopoly on the rights associated with the club concerned. It is an example of a business where it is arguably less appropriate for an investor-ownership model to be used rather than a community-ownership model and that the change in the dynamic of decision-making caused by a different model could have significant results.

Wilkesmann and Blutner's study of German football argues that 'it has become evident that the crucial factor for the successful development of a football club (based on collective decision-making processes) into an efficiently organised company, is the way in which the dilemma of representing a broad range of interests and the efficient achievement of objectives is solved.'¹⁷ They say that ideally decision-making structures in a club should be democratic or bottom-up, although there are some problems with this approach:

- The need to recruit members to get member fees
- Conversely the resources required to maintain and service large memberships
- The difficulty of having structured internal decision-making processes that can integrate the different interests of members
- The dilemma of achieving collective goals whilst having a changing membership that may want to change previously established goals

Alongside these concerns are a number of issues that have emerged in English football:

- Whether the ownership structure enables or inhibits investment (something the Community Interest Company formation in part seeks to address)
- Maintaining levels of active participation among members
- Gaining a wider acceptance, appreciation and involvement of supporters who are not members, of the value of mutual ownership

We have to recognise the special economics of football consumption that has been identified by regulatory processes as well as academic studies, namely that football's consumption is relatively inelastic and that each club is in part a local monopoly¹⁸. People's emotional attachment to the team means that often they will continue to be a customer even if the team isn't winning trophies. Whilst this in itself lends itself to mutual ownership - in order to protect users' interests where their loyalty can be counted on - but in the context of a failing club, this is arguably more so.

In normal circumstances of organisational failure it has been argued by Alfred Hirschmann¹⁹ that people have two options: exit (leave) or voice (try and change the organisation). In football, the inelastic demand and emotional attachments mean that people don't often exit or leave, at least not permanently. As such, normal market conditions in which consumers desert a failing company and thus it goes out of business, do not often apply - and even when they do, the perceived 'public good' of

¹⁷ Wilkesmann, U. and Blutner, D. (2000) 'Going Public: The Organizational Restructuring of German Football Clubs' *Soccer and Society* 3 (2) pp. 19-37: p2.

¹⁸ For instance see Monopoly and Mergers Commission (1999) *British Sky Broadcasting Group plc and Manchester United PLC: A report on the proposed merger*, London: HMSO

¹⁹ Alfred Hirschmann, A (1970) *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*, Cambridge

football clubs usually means a way out is found without necessarily addressing the original problem. What mutuality offers is a way for the 'voice' to be heard, as co-owners of the club - and therefore help change to happen and ways of the organisation responding to users' needs found.

4.3 Sustainability

One of the key concerns within this study is whether community or fan ownership has advantages in terms of the sustainability of football clubs, and football more generally. Arnaut's *Independent European Sport Review* outlined problems with the company model of football club ownership²⁰:

- Vulnerable to takeover
- Lacking transparency as to who the real owners are (though at least they are bound by some legislation to ensure good corporate governance)
- Questionable as to whether minority shareholders and fans have an effective voice in running the club
- The single most important priority is to maximise profit for shareholders and investors. Arnaut also argues that 'a football club cannot follow this same philosophy, not least because it has a wider role in the community that does not translate into monetary value'.

This reflects other evidence of the failures of more mainstream company models, not least in the context of the recent credit crunch and financial crash. Within football there is extensive evidence that the dominant company model has not performed well in any traditional sense. Deloitte's annual review of football finance regularly illustrate the weakness of club's finances and the endemic nature and inequality of its distribution. In 2008 they reported the dire state of financial performance for Football League clubs:

- Aggregate operating losses for Championship clubs increased from £53m to £75m; in excess of £3m per club in 2006/07.
- Based on the available information, the Championship clubs had aggregate net debt at the end of the 2006/07 season of £289m.
- Ten Championship clubs had filed accounts showing net debt at the end of the 2006/07 season in excess of £10m.
- In general, a Championship club can only hope to significantly reduce its net debt in the short/medium term via either promotion to the Premier League or an injection of equity funding from its owner.

They concluded a bleak outlook:

Below the top two divisions, managing the club's financial position remains a challenge from one season to the next. Legacy debt issues and the risks taken by some boards of directors will, without correction, inevitably lead to a continuing flow of insolvency cases in the seasons to come.²¹

None of this suggests that the dominant company model is working particularly effectively within football's context. John Beech's research into club administration says

²⁰ Arnaut J.L. (2006) *Independent European Sport Review* p. 67-68:
<http://www.independentfootballreview.com/doc/A3619.pdf>,

²¹ Deloitte *Annual Review of Football Finance 2008: Highlights*

that since 1986 there have been 68 cases of insolvency, although liquidation remains rare as administration is used as a tactical move by indebted clubs. Given the high levels of debt and the frequency of administration, it is not too far to suggest that the dominant limited company model *in English football* is one dependent on administration because club's fail to live within their means.

Arnuat's report also found that 'the Members Association model offers the most effective protection against ownership of the club by an unscrupulous individual and it is also a more democratic model'. However, there are still concerns with mutual ownership:

- As with any company structure, if a club becomes indebted then it may also become vulnerable to outside influence. However, the mutual model, by spreading ownership can mitigate against outside influence and mutual structures such as Industrial and Provident Societies often find it problematic to take on large debt.
- Just because the club is a member association does not guarantee mechanisms for effective participation. In fact, because of loyalty to the club, badly run organisations may be tolerated by the members, something also true of the company model. However, Michie and others have argued that mutualism in football can help create the potential for greater scrutiny and a 'regulation from below'.²²
- It is difficult to marshal a large and heterogeneous body of people and at times supporter organisations have struggled to generate widespread participation in 'off field' matters football supporters²³

4.4 Research Questions

This literature provides us with a series of questions to be asked in our primary research about the social value of football clubs in relation to supporter, community or mutual ownership. Namely, does it:

- Produce business advantages and disadvantages of mutual ownership?
- Produce more democratic clubs?
- Increase the likelihood that clubs will have a positive impact locally?
- Increase citizenship and participation locally?
- Encourage employee and volunteer participation and help better reflect the local demographics?
- Produce more long term thinking and more sustainable structures?

²² Michie, J (1999) *Mutualism - The Golden Goal?* Cooperative Party

²³ Nash, R (2000) 'Contestation In Modern English Professional Football' *International Review For The Sociology Of Sport*, Vol. 35, No. 4, 465-486 (2000)

5. Researching Social Value

One of the only comparative *valuations* of football clubs are the annual reviews of football finance undertaken by Deloitte²⁴. However, these are exclusively about their *financial* performance, without any analysis of *local, social or community* impacts. Although there is a growing, wider public discourse about the financial worth of football clubs (their earnings and their indebtedness), this again is largely confined to interpretations of the balance sheet which, whilst no doubt important, isn't primarily concerned with the local community or social impact and value of football.

Part of the problem of this approach, as well as of assessments that attempt to produce a single financial outcome of social 'value' in football, is that the values placed on clubs by a range of stakeholders - staff, fans, residents, businesses, local authorities - are often not financial in nature and very rarely purely so²⁵. As such, traditional, economic valuations of clubs tell us little about their community value and do not take us very far in answering the questions core to this research project.

In order to address ways in which we might look at the social and community value of clubs, and provide ways of gaining evidence in our case studies for the questions this project asks, we commissioned the following working papers to summarise three approaches within the field:

- Adrian Ashton – *Social Accounting and Football*
- Stephen Spratt, New Economics Foundation – *Football Ownership and Social Value*
- Andy Barlow, University of Salford - *Do we know the true value of football? A review of methodologies used to value public goods*

We also produced a working paper:

- Adam Brown, Substance – *Football's Social Value: Qualitative Approaches*

Following this, we commissioned a critique and overview of the approaches described:

- Rose Casey Challies - *Social Impact of Football - Critique*

These papers form the core of the methodological review on approaches to determining social value. They are all freely available on the project's website²⁶ and provide detailed information about those approaches. As such we will not repeat that information in detail in this report but encourage readers to view it and comment online. However, below we briefly summarise the main points.

5.1 Social Accounting Overview

Adrian Ashton – a leading consultant within the Social Accounting Network – has produced a paper which provides an overview of approaches that fall under the broad title of 'social accounting'.

²⁴ [http://www.deloitte.com/dtt/cda/doc/content/UK_SBG_ARFF2008_Highlights\(1\).pdf](http://www.deloitte.com/dtt/cda/doc/content/UK_SBG_ARFF2008_Highlights(1).pdf)

²⁵ Brown A (2008) *How Can We Value The Social Impact Of Football Clubs?: Qualitative Approaches*, <http://valuefootball.substance.coop/files/Adam%20Brown%20Qualitative%20Approaches.pdf>

²⁶ <http://valuefootball.substance.coop/index.php?q=papers>

Social accounting itself is not a new concept, with references to what can be seen as early models dating back to the 1940s. However, interest in using this approach grew during the 1980's as a tool by which various NGOs could better lobby against, and examine the impact that large private global companies were having on society and the environment. During the 1990s, concepts of social accounting were examined more formally through national programmes and specialist social enterprise sector advocates and networks for not-for-private-profit businesses...²⁷

Social auditing of this kind can be divided into four main components:

- Statement of Purpose – engaging the community in setting priorities: long term vision – medium term strategy – short term operational criteria
- External View - stakeholder and service assessment: benefits received – problems identified – solutions designed, planned and implemented
- Internal View – organisational assessment: effectiveness of operational methodology – efficiency of management systems – satisfaction of board members, staff and volunteers
- Review and Planning – the learning loop: learning lessons from the previous years planned and actual results, making changes and planning the next years strategy and criteria

Adrian Ashton outlines a range of possible approaches in the paper (see the working paper online for more details) that include:

- Co-operative, Economic and Social Performance Indicators (CESPI)
- AccountAbility 1000
- Indicators That Count/Clubs That Count
- PQASSO (Practical Quality Assurance System for Small Organisations)
- LM3 (local multiplier three)
- Social Accounting And Audit (SAA)
- Social Firms Balanced Scorecard
- Social Firms Balanced Scorecard Dashboard
- Money Well Spent – Local Impact Assessment
- Churches Community Value Toolkit
- Health Check
- Visible
- Social Return On Investment (SROI) (see below)

He analyses these in terms of their appropriateness for the project concerned but also their practicability and comparability. He concludes that:

'it is suggested that a hybrid of two existing models be explored on the basis that they most closely reflect the different models of football clubs (trust owned and others):

- CESPI – as trust-owned clubs are forms of co-operatives
- Indicators that Count – as football clubs are predominately still privately owned, but to varying degrees wish to create a beneficial impact on the wider local community'

²⁷ Ashton, A (2008) *Playing With A Standard Formation: Social accounting for football clubs and supporters trusts – towards a unified approach*, <http://valuefootball.substance.coop/files/Adrian%20Ashton%20Social%20Accounting%20Football.pdf>

Adrian Ashton further developed the idea of a 'hybrid' approach for the research seminar we conducted in December 2008. In this he proposed a 'bundle' of indicators to assess the social value of clubs that included the following:

- 1) investment in local community (time and money)
- 2) community initiatives supported
- 3) disability access provision (and take up)
- 4) staff profile against local community profile
- 5) use of local businesses in supply chain
- 6) training to staff and members of Trust
- 7) community perceptions of Club
- 8) amount of waste recycled

We found much to recommend this approach, not least because it seeks a range of perspectives and lends itself to a methodology 'menu' that clubs and organisations of differing types, aims and contexts can choose from. As we shall see below, we have adapted this 'bundle' idea with Adrian Ashton to form part of our ongoing research.

5.2 Social Return On Investment

Social Return On Investment is a methodology promoted by the New Economics Foundation (NEF) that has gained significant influence nationally and with government. As Stephen Spratt outlined in his working paper:

'Social value, as defined here, is the value generated by an organisation to its material stakeholders over and above that value narrowly defined as financial, but including financial value. We have adopted here, a definition of social value closer to perhaps the term full economic value, where both financial and non-financial values are considered. Formally, we can define social value as:

"The total net value of financial and non-financial benefits that is created by an organisation to all the people it affects."

In the case of a football club, the social value is therefore the sum of all the benefits and costs it creates for fans, investors and its community.... Social accounting attempts to measure the social impact (value) of an organisation's activities through the *self reported* changes stakeholders experience as a result of the activities of the organisation. That is, what do the stakeholders value and how does the organisation's activity contribute or detract from this – the key distinction is that value is that which stakeholders consider it to be, not what the organisation considers it to be... Put most succinctly, SROI measures the *monetised* value of benefits relative to the costs of achieving those benefits.'²⁸

The process is in-depth and involves consultation with as wide a range of stakeholders as possible to produce an 'impact map' of the organisation's effect on those stakeholders. For those impacts where there is a direct financial or market value, those are calculated and 'for those outcomes without a market value, financial proxies appropriate to the stakeholders would be used'. The aim is to produce a calculation of a ratio between the monetary investment made and a *monetised estimation* of its impact.

²⁸ Spratt, S (2008) *Football, ownership and social value*
<http://valuefootball.substance.coop/files/NEF.SROI%20Football.pdf> : p2

The process and the financial proxies involved can be complex and the exercise can only realistically be undertaken with the assistance of consultants which means it can also be a costly approach²⁹.

The attractions of it are:

- That it produces a simple financial ratio of 'social value'
- That it has a national profile
- That it entails consultation with a wide range of stakeholders
- That it can produce qualitative information and learning as a result of the consultation exercise

However, critiques of the approach suggest that:

- It is complicated and as such is beyond the scope of most small organisations and football clubs (particularly small ones).
- The ultimate aim of producing a *financial* value seems to contradict *some* of the evidence it entails in getting there – i.e. the non-monetary valuations by stakeholders of the value of clubs
- The production of financial proxies to 'monetise' social value are essentially estimations
- The process can also rely on some presumed *causal* relationships between action and impact that can be hard to sustain

Rose Casey Challies has argued in her critique:

'...those methods that provide a ratio such as Social Return on Investment (SROI) can also provide a useful, externally recognised financial value for the social impact made. A SROI framework establishes the total net value of financial and non-financial benefits and costs an organisation creates, where social value is considered within a wider economic value. The benefit of this for a football business with a commitment to making a social impact is that they can report a financial value that has been identified by the stakeholders themselves either directly or indirectly...However there are difficulties both in concept and in practice. An organisation going through this process will need to commit to a significant amount of resource that will in turn be most useful for communicating to others. It will therefore best suit those that can afford to commit to a large resource to input into a larger financial reporting structure. It will struggle to satisfy those carrying out the planning and development of strategic organisational initiatives that make a difference in the future as much of the more insightful knowledge will be lost in the translation to a quantitative measure.'³⁰

Furthermore, for this piece of research in particular, the assessment of the social value of football clubs is one aspect, but there are also wider concerns about business advantages of mutualism that it seeks to investigate.

5.3 Contingent Valuation Methodologies

Andy Barlow, of Salford University, is adapting an approach to football that has been used more extensively in the United States – the contingent valuation method³¹. This

²⁹ NEF estimated the cost of this would 'likely range from £35,000 to £65,000'

³⁰ Casey Challies, R (2008): 4.

³¹ Barlow., A (2008) *Do we know the true value of football? A review of methodologies used to value public goods* <http://valuefootball.substance.coop/files/Andy%20Barlow%20CVM.pdf>

approach seeks to identify the 'value of public goods' by proposing a scenario in which the 'good' under question – a museum, a swimming pool, or a sports club for example – is under threat and people are asked to place a financial value on keeping it, i.e. their 'willingness to pay'.

It is also based on 'the possibility that individuals who have and may never intend making active use of an amenity might derive satisfaction from its existence alone' and can seek to understand the value that non-users of, in this case a football club, might place on its value. Andy Barlow's piloting of this with a football club involved a postal survey based methodology which uses a questionnaire approach to elicit respondent's non-use value for organisations. 'Examples of Contingent Valuation (CV) techniques include valuing beaches, rivers and even the value placed on the existence of birds, and more recently sport'³².

In Andy Barlow's paper it is proposed that the way a sports club might be evaluated in this way is that:

- Respondents are provided with a hypothetical situation where a club might not exist, or is at least under threat
- They are then asked to 'state a preference for contributing to preventing the loss or keeping the status quo' with respect to the club.
- This preference is expressed in a purely financial value
- A range of financial valuations can then be calculated to show the 'value' of the club to 'non-users'

Andy Barlow highlights some of the weaknesses of the approach that need to be considered:

1. the contingent valuation method can produce results that appear to be inconsistent with assumptions of rational choice
2. responses to CV surveys seem implausibly large in view of the many programs for which individuals might be asked to contribute. Surveys and respondents fail to properly take into account substitutes for the resource, good in question
3. relatively few previous applications of the CV method have reminded respondents forcefully of the budget constraints under which we all must operate
4. it is difficult for the CV survey to provide adequate information regarding the scenario for which values are being elicited and it can be ensured that the respondent has absorbed and accepted this information as a basis for their responses
5. it is difficult to determine the "extent of the market" by generating aggregate estimates in the CV survey
6. respondents may be expressing "warm glow" or feelings of public spiritedness of giving rather than an actual willingness to pay for the program in question

As with SROI, the production of a simple monetary value or, more accurately a range of values is attractive to some. However, this value can be presented as an 'objective' valuation this masks the very subjective and arguably uninformed valuations that can be made by respondents.

Furthermore, we have a number of other concerns with this approach:

³² *Ibid* p14.

- The reliability and often uninformed nature of individual's responses
- The hypothetical, unique and/or potentially unrealistic nature of scenarios also makes it difficult to use comparatively
- The absence of qualitative understandings of *why* those valuations (high or low) are being made and thus the applicability of findings in practice
- The cost of large postal surveys

Further, for this study, this approach would provide us with some evidence for *only one* sub-section of one area of inquiry – non-users' monetary valuations of their local football club. It is therefore too limited as an approach for this study which as described in 2, above, also seeks to elicit other information that this approach cannot address.

The Contingent Choice Method that Andy Barlow outlines has perhaps more relevance in understanding the relative importance stakeholders place on a football club, by offering a range of choices or preferences that do not necessarily have to be monetary in nature. This approach has more to recommend it in understanding the *relative* value that people place on their local football club as opposed to other 'public' venues (such as cultural venues, other sports venues, libraries, civic amenities, improvements in local services etc.). This relates to key concerns of opportunity costs and diversion of resources. That is, to be meaningful in a world of scarce resources, respondents need to understand that if resources were allocated to the club, what would be the impact of those resources not being spent elsewhere. It could perhaps be utilized within a focus group format, where a discussion could centre around the relative importance people place on the local football club against a set of alternatives, allowing more contextualisation.

For this to be meaningful however, it would require considerable information provision and lengthy participation by respondents in understanding both the realistic options available and the relative merits and costs of each organization/service and that is not possible in the confines of this study.

5.4 Qualitative Methods

One of our concerns with pursuing an SROI or CVM approach is that, although the process certainly involves considerable qualitative methods, assessments and assumptions, the aim is to produce a single, financial value that is often regarded as 'objective'. Also, the extent of the research questions in this project require an approach that can consider the different roles of football clubs and both qualitative and quantitative approaches.

As such, our working paper outlined ways in which qualitative methods might provide some of the answers as to how to approach the key research questions in the case studies. In it we say that one way of approaching qualitative research is through accepted and well practised methods such as qualitative interviews, focus groups, observations, media and documentary analysis. In considering questions such as the different business advantages of different forms of ownership, or of community interactions with football clubs on match days, and the different interpretations and opinions of clubs' community impacts by different stakeholder groups, qualitative approaches remain highly relevant and should be *included* within a 'methods portfolio'.

Ideally the quantitative/qualitative distinction should not be seen as an either/or option but as complimentary within any research project. The desire of policymakers for more easily accessible and apparently more 'empirical' evidence often favours more qualitative findings presented as objective facts. This has two implications. The first is that it implies a quantitative approach is both 'empirical' and free from qualitative judgement, estimates and bias. The second is that research involving qualitative approaches needs to be able to 'speak' to different audiences and present data in new and innovative ways. In case studies such as those in this project, quantitative data (relative local economic spend; the distribution of supporter base; questionnaire responses etc.) needs to sit alongside more qualitative evidence.

More involved case study work might involve a more ethnographic approach in which researchers explore the lived experience of different groups in relation to football clubs, often longitudinal in nature. These can be to greater or lesser degrees participatory in involving different stakeholders or club personnel and can be particularly appropriate for 'socially-driven' organisations as Rose Casey Challies states:

A socially driven organisation, whether wholly or in part will also need to ensure that it is achieving its objectives. This requires a more in depth investigation into the impact on its targeted communities. To do this an investigative approach is required to which quantitative measures will struggle to show on their own.

A more substantial analysis will be required to show how the social impact was made and take into consideration a community dynamic that is ever changing. Quantitative measures frequently provide a necessary baseline of data. When combined with qualitative measures an informative and flexible set of measures that can show such an impact can be achieved.³³

One of the problems with such approaches of course is the resources they require both for researchers on the ground and others involved, which can often be a barrier to such valuations being carried out. Less resource intensive and more participatory approaches that nonetheless seek to capture both qualitative and quantitative data and utilise new technologies might include:

- Online qualitative questionnaires
- 'Blogs' from different stakeholders, or on particular issues
- Online or other diaries
- Comment tools, to gauge different perspectives on club developments, documents or issues
- Collation and tagging of photographs and other AV material
- Interactive and community mapping tools
- Mapping of social data against supporter, resident or other information

The advantage of some of these is that they can be low cost, replicable and more easily implemented by clubs themselves.

³³ Casey Challies, R (2008): 6

5.5 Monitoring and Evaluation of Community Projects

One element of the research calls for identifying ways in which a club and its community department impact locally, such as 'do they help generate positive impacts locally, community cohesion and engagement of a diverse range of people?' One way to compare this is through a more thoroughgoing monitoring and evaluation of community projects themselves – which are often semi-independent charities linked to the football club.

There has been a move in recent years to more participatory and qualitative approaches to monitoring and evaluation which incorporates:

- Front line managers and workers becoming part of the research process, gathering evidence on their work, understanding it and feeding it back into practice.
- Splitting the process into essentially four elements: collecting, storing and processing information on people/participants that clubs work with; the actual work done with people; evidence of that; and reports on the evidence of work done with people.
- Including 'qualitative', visual evidence of interventions and impacts as part of the evaluation process. However, there remains a problem of how people transmit their understandings of qualitative evidence and how valid it is as an indicator of impact.
- Making the process more 'live', not dependent on an 'end point' and more useful to practitioners, allowing an ongoing handle on evidence and performance in different periods.

As such, we feel that monitoring and evaluation of clubs' direct community interventions (as opposed to the impact of the core operation of the club) require a more holistic approach to understanding their community value more generally and needs to be:

- Both quantitative and qualitative
- Participatory and user friendly (e.g. online)
- Producing 'live' statistics and outcomes to a range of partners
- Showing the 'progression' and 'distance travelled' of individuals and communities over time
- Providing a means of collating and reporting different forms of qualitative evidence
- Meeting a range of partner and funder's needs, and showing how key local and national agendas are being met
- Moving from 'Monitoring and Evaluation' to a 'Learning and Development' approach

6. Application to this Research

In exploring the appropriateness of different approaches to this particular study, we need to consider the different requirements, which are to:

- i. Provide evidence against the research questions, both qualitative and quantitative
- ii. Be practicable in a relatively short time span and within research budgets
- iii. Allow the testing of a range of approaches
- iv. Use this to inform a 'menu' of options for others to utilise, that is testable and structured, but which also outlines different approaches that clubs can adapt to their needs

Given the particular focus within this project on assessing the community and social value of different forms of ownership and to understand the various benefits of ownership models to a variety of stakeholder groups, including clubs, it will require both qualitative and quantitative approaches.

Alongside methods such as social accounting of local economic spending, for instance on a new capital development, there needs to be an understanding of how and why that was the case, for whom the form of ownership mattered most, what processes this went through and what alternatives were. To answer these questions will require a more qualitative approach such as interviews with owners, club staff, residents, local authorities, developers and funders etc. It may be possible to ask people to place a perceived financial value on clubs under different ownership structures, through a questionnaire approach. However, to explore that in any depth and to ensure different perspectives are aired and understood will require a much more engaged process with stakeholders.

6.1 Social Value Methodologies

We have extensively reviewed the different approaches to determining the social value of football clubs. This has produced a number of working papers and presentations, discussions and debate.

Whilst we feel there is 'value' in all of them, there are also weaknesses. Perhaps most relevant immediately are issues of practicability:

- An SROI approach, even for one club, is beyond the budget available for this project and will be for many small clubs. As argued above, for this project, it also doesn't answer the range of questions required. Although this approach has considerable profile at the moment, we have some reservations about the ultimate aim of producing a single ratio, albeit in within the context of more qualitative data, in complex situations and the requirements of this project.
- The CVM / Valuing Public Good approach is also resource intensive for a methodology that would only illuminate one perspective pertaining to this study (non-use value). Again the nuances and reasons that sit behind the simple financial range this method produces would be missed. Given the other aspects of the brief that are to be explored – strategic business advantages of supporter and community ownership; best practice; barriers; the perspectives of users as well as non-users etc. – other methods need to be employed.

As such we feel that adopting either of these is problematic within the constraints of this study. It may be possible however, to explore some of the ideas from the CVM or CCM approach – how important the club is to different local groups - within interviews, focus groups and other methods. Further, the principle of consulting with a wide range of stakeholders to inform an understanding of the role of the club locally, as advanced in SROI, is one we wish to embrace.

However, ultimately, it is our belief that the adherence to an outcome of a numerical ratio or financial figure – and the assumptions that underpin those - to answer the broad questions of this study about social value deters us from going down this route.

6.2 Social Accounting Methods

In terms of the aims of this study – identifying the added value to communities of supporter ownership – social accounting as outlined by Adrian Ashton do have more to offer. Some of the approaches summarised in the first phase would allow:

- a range of different indicators for comparison
- a range of evidence on different issues
- a broad range of stakeholders
- a recognition of the different club contexts
- findings that go beyond a financial figure or formula

6.3 Qualitative and participatory approaches

Given some of the questions for this study, a range of qualitative approaches is essential in eliciting the perspectives of different stakeholders and allowing their participation in the research, providing the experience of different sorts of club structure and ownership, generating evidence across a range of issues and provide evidence of best practice. Some of the online techniques suggested are also cost effective ways of generating a greater amount of evidence across the case studies.

Whilst we can embrace methods to evidence financial impacts – e.g. spending on community schemes, local purchasing and quantification of community impacts (such as demographics of participants on community schemes), profile of fans and staff - these will not produce a simple financial ‘value’ of clubs.

6.4 Criteria for Case Study Selection

Our brief has asked us to explore the research questions through a series of case studies. In selecting these, we need to ensure that we have met a number of criteria, notably:

- i. Both fan owned and non-fan owned
- ii. Large Football League or Premier League clubs and smaller Football League clubs
- iii. Non league clubs
- iv. A variety of crowd size
- v. Geographical spread
- vi. Those developing facilities and those not

This is reflected in the choice of case studies we will investigate which will generate some comparative data on the following questions:

- How do clubs impact on communities in their day to day business?
- What is the importance of community 'interventions'?
- How do different actors value these impacts, including within the club and the local community?
- What are the barriers to maximising these impacts?
- How can facilities play a more positive role?
- Does supporter or community ownership, or partnerships with the wider community, offer particular advantages in terms of the value to localities, sustainability, engagement of diverse communities etc.
- What is current best practice and how can this be made sustainable?

By consulting with a range of 'internal' and 'external' stakeholders we will also explore how football clubs can help generate civic pride, positive community impacts and help generate community engagement and cohesion. This consultation can also look at the different ways in which clubs can best impact on their communities, the 'local value' of these impacts and examples of best practice.

This will help inform an understanding of whether clubs can be a vehicle for providing local collective and individual benefits (sometimes referred to as social capital) that may have been lost to communities from other sources. However, alongside the case studies we require a broader review of a selection of football clubs and we propose a series of in-depth interviews with a larger number of clubs. Again the criteria above – varieties of size, formation (traditional limited company, fan owned, mixed ownership), geographical location and position in the football pyramid - need to be embraced.

6.5 Community Facilities

One of the principal ways in which clubs can engage with and provide value to communities is the development of facilities that local people and groups can access. These can be:

- A stadium that is developed as a partnership, for example with a local authority and developers (such as Brentford's new ground proposals)
- Within the stadium itself (such as the PCT offices and facilities at Warrington Wolves' ground)
- Remote from or adjacent to it (such as Leyton Orient's Score project which includes youth, health, multi-function and sports facilities)
- Semi-independent from the club (such as the Blades Business Centre and Sharrow Community Hall at Sheffield United's ground)

Two questions for this study therefore are:

- how facilities are of value to communities in our case study clubs?; and
- what advantages supporter, cooperative or other 'community' ownership might be to their development?

7. Conclusion - Recommended Phase Two Approach

7.1 Interviews With 10 Clubs

We will conduct semi-structured interviews with key personnel of ten clubs of varying size, location and ownership. These will be anonymised and focus on the advantages of different ownership structures, approaches to a range of local stakeholders, the development of community facilities, the nature of local partnerships and evidencing best practice particularly among fan owned clubs. This will be supplemented by any available documentary evidence.

The range of clubs we intend to interview are as follows:

1. Non fan owned Premier League club
2. Non fan owned Football League larger club
3. Non fan owned Football League smaller club
4. Non fan owned Non league club
5. Fan owned Football League (1)
6. Fan owned Football League (2)
7. Fan owned Non league (1)
8. Fan owned Non league (2)
9. Mixed Community Ownership Non League (CIC)
10. Mixed Community Ownership Football League

7.2 Case Studies

7.2.1 Case Study Clubs Criteria

For the case studies themselves, we will select against the following criteria:

1. A limited company model Football League club, with a history higher in the pyramid
2. A 'smaller' limited company model Football League club
3. A fan owned Football League or Conference club
4. A fan owned Non-League club

7.2.3 Structure of Case Studies

At each club we will conduct the following.

A. Interviews with 4 key personnel at each club

In depth interviews with key stakeholders at each club. These will include:

1. Chief Executive/secretary/most relevant staff
2. Chair / chair of trust
3. Community department/staff
4. Local authority representative

The focus of these interviews will include:

- Internal perceptions of the club's ownership
- Pros and cons of the ownership structure
- Partnerships
- External perceptions of the club and its role locally

- Evidence of particular initiatives / facility development
- Priorities for club development
- Perceptions of the club's role locally

These will be supplemented by analysis of available documentary evidence.

B. Analysis of Community Department Impacts

This will explore the 'impacts' of each club's community departments in 'snapshot' period of 6 months against the following indicators:

- Extent and range of community programmes and schemes
- Extent of investment by community departments
- Range and extent of partnerships
- Participants (numbers, demographic details where available)
- Mapping of participant post codes against IMD data (where available)
- Outcomes and qualifications from schemes of work

C. Analysis of Club Operations – A Social Accounting 'Club Bundle'

As outlined in 5.1 above (and in his paper), Adrian Ashton has developed a 'club bundle' of indicators for the case studies to provide evidence of the social and community impact and role of each case study club in terms of its operations. This needs to encompass a range of issues in the research and has been adapted accordingly.

i) Local economic impact

We will analyse the local purchasing records of each club to determine its direct economic impact in its city/town. We will also provide evidence of any policies or approaches that encourage local supply.

ii) Staffing

Profiling of staff in terms of local employment and demographics. We will map postcode information against local IMD data (this will require access to anonymised staff information at each club). We will also analyse training/staff development provided in preceding year.

iii) Environmental Impact

Analysis of waste recycled, environmental policies and any local environmental works or initiatives as well as negative local impacts (e.g. local authority clearance of litter).

iv) Supporters

Involvement: Analysis of levels of supporter ownership (both trust and small shareholder) and involvement (e.g. fan forums). Analysis of club articles of association, fan/customer policies, ticketing, membership and trust records.

Profile: Mapping of member, season ticket and match day ticket data; demographic details (where available); mapping of postcodes against IMDA data.

v) Investment in Local Community

Analysis and accounting of club contributions to community schemes and to other local initiatives (e.g. local ticket schemes) which embraces time, as well as other 'in kind' and financial investment.

D. Local Stakeholder Perceptions

We will also explore the perceptions of a range of local stakeholders toward the club and its operations. It will include:

- Fans
- Local residents
- Local businesses
- Local authority
- Local community agencies/groups

At each case study club we will:

1. Conduct interviews with fans' and residents' representatives (1 each per club)
2. Conduct a resident focus group to explore the relative importance of the club in comparison to other local institutions and services (1 per club)
3. Conduct brief interviews with a sample of local businesses (2 per club)
4. Conduct an interview with a local authority representative (1 per club)
5. Conduct interviews with a selection of local community groups (2 per club)
6. Conduct an online questionnaire at each club to capture comparative stakeholder perceptions
7. Presentation and 'quantification' of this qualitative data

This will be supplemented by documentary evidence from local media, club, fan, community and business publications.

7.3 Timetable

The timetable for this element of the work will be April to July 2009. The project will produce its Final Report in autumn 2009.