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A FOOTBALL CLUB'S STRATEGIC PERFORMANCE MANAGEMENT

L. C. PĂNESCU[1] M. DRAGOMIR[2]

Abstract: *The current study presented in this article shows that football teams should; generally speaking, implement a multifaceted performance management system that takes into account the opinions of all stakeholders. The Balanced Scorecard (BSC), which offers an integrated framework for measuring and managing performance, can assist clubs in evaluating both financial and non-financial activities. This study's context and content greatly advance our knowledge of the football industry and offer a thorough and all-encompassing set of contributions to the field of business academia. The knowledge acquired on a topic that has naturally shown to have a significant impact on people inherently adds something useful and beneficial to society.*

Key words: *juniors, football, management, Balanced Scorecard, evolution*

1. Introduction

Soccer has recently grown in popularity all across the world [8]. It has been described as a company involving countless billions of dollars in investment, with massive spending on player transfers, conflicts, never-ending negotiations for TV rights shares, and sponsorship battles to recruit child and junior "stars" to promote and advertise.

The topic of success in football management is timely and important at a time when clubs are focusing on achieving a competitive advantage, and many regulations and internal systems in place to maintain the long-term viability of global football are under scrutiny [1].

All of these initiatives indicate that the football industry has become extremely competitive [3].

To thrive in this competitive climate, football teams should prioritize strategic objectives such as efficiency, effectiveness, competitiveness, and sustainability, as well as extensively measuring and managing their performance [4].

In recent years, clubs have shifted to corporate entity models; modern and traditional clubs are no longer merely football clubs, but functioning enterprises with expanded plans, structures, and goals.

[1] PhD student, University of Craiova, Romania.
[2] PhD., Dr., Prof., University of Craiova, Romania.

Furthermore, as the world expands rapidly, growing both closer and denser, teams are no longer limited to their native regions, realizing that loyal followers and significant sponsorship opportunities can be discovered beyond their borders.

It is no longer enough to be a winning or profitable team; clubs must internationalize and „modernize to preserve tradition” [5].

Using several strategic performance evaluation methodologies can help football teams become more competitive.

Sports managers are currently working to give global football teams a strong and advantageous competitive position while highlighting the athletic perspectives of customers as well as their ongoing interactions with these institutions.

Sports organizations and competitions are increasingly in competition with other leisure options, like restaurants, hotels, theaters, and so on, for the money that people spend on entertainment.

However, professional sport has adopted a more commercial method, and as a result [10], sports teams and leagues are finding it increasingly common to debate and learn about strategic performance evaluations as a highly effective tool for differentiating themselves from competitors.

The Balanced Scorecard (BSC) is a key idea in accounting and management.

A Balanced Scorecard can be defined as a means of converting an organizational goal and strategy into a set of performance metrics that provide a framework for implementing the plan in real life [12], for the sake of clarity [11].

BSC recently celebrated its twentieth anniversary [6].

An instrument for strategic performance management, the Balanced Scorecard (BSC) is a report with a semi-standard structure that managers can use to monitor how successfully individuals under their supervision complete tasks and the consequences of their decisions [9].

Approximately 75% of businesses globally adopt the Balanced Scorecard approach to boost productivity. Kaplan and Norton developed this approach of performance evaluation in 1992.

It takes into account non-financial goals as well as financial goals as ones the firm should aim to achieve. The accomplishment of the organization's non-financial goals will have a favorable effect on its financial goals.

Effective financial asset and liability management is essential due to the institution's chosen strategy. Effective management of the unit's financial, non-financial, and liability assets is still required [9], [12].

Institutions can create relationships with current customers to retain and satisfy them, or they can search for prospective consumers and enter emerging markets.

They can also gain loyalty and fulfillment from consumers, develop and expand, and create new products or services, among other things, through analyzing financial as well as nonfinancial levels of performance using balanced scorecard measures [13].

Customer metrics are available online and can be used by a sports manager to determine market share and unit customers in their intended customer categories.

They are the most basic markers of the plan's execution safety and efficacy as well as the caliber of results attained [2].

Among the indicators evaluated are market share, customer satisfaction, customer retention, new customer acquisition, and the number of agent accounts in the intended markets [5].

Football clubs must prioritize their internal operations in order to identify the most important areas to invest in.

This will allow them to create value that sets them apart from the competition, draws in customers, and ultimately satisfy shareholders who get the best returns on their capital.

The final perspective on the balanced scorecard is that of education as well as development, which is covered in more detail below.

In order to achieve its long-term objectives, sports club management must adopt certain foundations, one of which is the development as well improvement of the administrative staff's, technicians', and players' skills and expertise through scientific as well as practical training [13].

Since players are the main source of the team's competitive advantage, this is particularly true for them [14].

However, the viewpoints that the balanced scorecard represents are identical to one another.

Rather, they collaborate; every viewpoint influences the other in some way [11].

When the financial and customer perspectives are combined, football clubs' management is given a clear understanding of how to satisfy their customers.

This clarity enables them to pursue strategies related to either quality (high price compared to the market) or cost savings (ease for purchase and use).

Customers who are superior to or distinct from those of the competition, enabling them to choose one of the related tactics.

Football teams' strategic performance is assessed using the Balanced Scorecard in Figure 1.

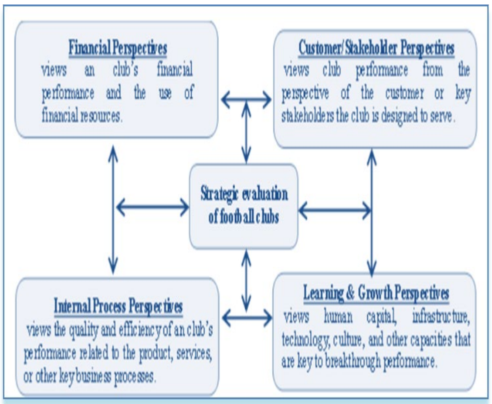

Fig. 1 *An analysis of football clubs from a strategic perspective*

In simple terms, the Balanced Score Card is a method for attaining equilibrium between financial along with nonfinancial metrics as every change in one will have an equal and simultaneous impact on the other, regardless of the degree of change in one of the metrics.

The goal of this article is to build a relationship between an existing BSC and the approach that should be used.

2. Methodology of Research

A very useful and efficient framework for identifying the pertinent management aspects of conventional businesses and bringing attention to some of their interdependencies was the Balanced Scorecard [12].

2.1. Methods of investigation

The Balanced Scorecard has been used in sport-related contexts in a number of scholarly studies [10].

Increased TV and merchandise sales, new sponsorship agreements, and improved sports performance all contribute to improved financial performance [14].

The ensuing financial resources can then be used to invest in the team or young academy, which, in most cases, leads to improved athletic performance.

2.2. Samples and control norms used in research

Perhaps the most well-known framework for performance measurement, the Balanced Scorecard examines performance from four distinct but intricately linked perspectives [8]:

1. Financial perspective;
2. The client's perspective;
3. Internal-business-process perspective;
4. Learning and development perspective.

The highest prospect in the aforementioned pyramidal hierarchy and consequently the more important to the management of most companies is the Financial Perspective.

In the past, companies relied primarily on financial performance measures such as profitability investment or economic value analysis.

Although they still play a vital role in modern companies, they are now enriched with non-financial indicators [15].

Unlike the following perspectives The Balanced Scorecard, *Financial Perspective* does not contain substantial levers that can be adjusted to improve performance.

Rather, adjustments in lower perspectives are needed to lead to overall financial success.

The customer perspective is the second dimension of the Balanced Scorecard and it has an impact directly on the financial perspective.

Companies increasingly understand the importance customer as a source of financial success and consequently become more and more oriented towards client.

In general, customers tend to be concerned with issues of time, quality, performance, service and cost. Therefore, companies aim to deliver products and services that meet these criteria and are therefore valued by customers.

Valuable products and services are expected to improve key metrics of customer satisfaction, loyalty, retention and acquisition.

To deliver appropriate value propositions to customers and meet objectives financial, a company must achieve key internal functions, which the organization must master.

Four generic processes that practically all the companies have in common are innovation, customer management, operations and logistics and regulations and the environment.

The bottom of the Balanced Scorecard pyramid is the Learning and Development Perspective.

It influences the three higher dimensions and therefore can be considered as the foundation and success factor of the future.

The main components of the Learning and Development Perspective are intangible assets, which have grown significantly in importance in the Balanced Scorecard.

3. Results and Discussions

As a result, football teams ought to implement a multifaceted performance management system that takes into account the opinions of all parties involved.

The scoreboard ought to be made with the club's strategic goals in mind, using the proper metrics.

Each strategic aim should be evaluated using at least one performance metric.

Performance measures Table 1

Stakeholder perspective	Position attained in a national league; Position attained in a local federation cup competition; Total points accrued from derby matches; Position attained in international tournaments/champions; Responses to surveys soliciting feedback from fans; Number of aid initiatives in which he actively participated; Total funds raised through fundraising events; Total sums donated to charitable organizations; UEFA ranking
Internal process perspective	The average number of players invited to represent their country at the international level; The worth of sponsorship deals; The quantity of good news reported in the press; the number of supporters who turned out to cheer on the team at the stadium; The quantity of fans on social media; The amount of time dedicated to training; Time spent camping; Number of games without injured players; Games with yellow and red card bans; Ranking.
Infrastructure perspective	Number of players on national teams; Time allotted to young players in the first team; Minutes of newly transferred players; Results of player satisfaction surveys; Value of investment in club facilities; Number of new members joining the club; Number of minutes played in new transfers; Asset (facility) utilization rate.
Financial sustainability perspective	Broadcasting revenue; Match day revenue; Club store profits; Debt ratio (total liabilities/total assets); Current ratio (current assets/current liabilities); Return on assets (net income/total assets); Transfer income; Player market value: Revenue from international organizations and activities.

Supporting local and international aid organizations is one of a high-level club's strategic goals.

Performance metrics can be used to evaluate the club's progress toward this goal, such as the number of aid events in which members have actively participated or the total amount of money raised through fundraising events.

Finally, soccer BSCs establish performance targets for each performance indicator, which are then compared against performance results at the end of each period.

Management should investigate underperformance and potential causes of player dissatisfaction, asset value decline, and poor performance by young players.

Finally, based on the input, management should implement corrective actions.

If management discovers faults with the performance management system, such as insufficient metrics, improper target setting, or changes in strategic objectives, it may be evaluated.

On the other side, good outcomes should be examined, and the accomplishments of groups or people should be recognized.

4. Conclusions

Kaplan and Norton's primary idea is that these four perspectives represent a balanced view of any organization and that no key area will be missed when providing measurements for each topic.

BSC is a system that is significantly impacted by its implementation approaches.

Some activities may accurately represent the company's performance, while others may be misleading.

Departments and business divisions at different levels typically do not contribute when the BSC fails.

The acceptance, application, and execution of the action all play a role in the BSC's success. Thus, the BSC's design is vital to its success.

In addition to highlighting the benefits of the approach used in the case study, we were also able to identify several drawbacks.

The primary drawbacks of BSC are difficulties in establishing causality and effects, difficulty with selecting appropriate indicators, and timely data collecting.

According to the growing importance of spectator sports support, an increasing amount of attention is being devoted in the modern world to the assessment and oversight of different sports organizations.

A more comprehensive approach to performance evaluation that takes into account football teams' financial and athletic achievements has been offered by certain academic works.

A distinct kind of football club performance system has been created in order to satisfy the varying expectations of stakeholders, as noted in the previously referenced literature [7].

Football teams should therefore implement a multifaceted performance management system that takes into account the opinions of all parties involved.

The BSC offers an integrated framework for measuring and managing performance that is comprehensive and may assist clubs in assessing both their non-financial and financial operations.

There is no implementation of a thorough quantitative model of BSC for football clubs, despite the fact that several studies in the literature indicate using BSC as a potential means of achieving enhanced managerial efficiency for football teams.

In the long run, financial assessment is not helpful for addressing the necessities of sports management, even though it can be appropriate in the near term.

According to studies, the balanced scorecard served as a tool for strategy formulation and creation as well as measurement. This gave managers the ability to determine the best methods for accomplishing the measurement objectives.

The ability of such technology to respond to external conditions gave the management greater latitude in adjusting and reshaping the plan in reaction to developments that took place.

Following a number of investigations, the researchers created a model that links the strategic execution of the club overall to the strategic performance of its subperspectives (financial as well as customer-facing operations), and also to the strategic performance of the club's growth and education initiatives.

This approach ensures that all relevant data related to football club operations is provided.

It is noteworthy that the evaluation of sports clubs' strategic success differs significantly from that of commercial or industrial entities.

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