

# Human resource empowerment in professional football clubs

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## Aim of paper and research questions

The purpose of this study was to examine: (a) the extent to which human resource empowerment is applied to Greek professional football clubs, and (b) the relationship between human resource empowerment used by Greek professional football clubs and organisational performance (revenues, profit/loss, and classification of football club in Super League). In particular the questions the research aims to address are:

1. To what extent is the human resource empowerment process being used in Greek professional football clubs?
2. Is there a relationship between the key factors of empowerment and performance of less wealthy Greek football clubs?
3. Is there a relationship between the key factors of empowerment and performance of wealthy Greek football clubs?

## Literature review

Sport organisations are submitted to constant changes (Slack, 1997) by virtue of the rapid growth in emerging markets, new standards of global competition (Aghazadeh, 1999), changes in the economic climate, increase in international competition, and collective bargaining, greater levels of automation and the demand for more specialist personnel (Gibb, 2000b; Slack, 1997). The pressures for change have led sport organisations to change their attitude towards Human Resources Management. By effectively managing their human resources, organisations can foster the type of employee behaviour that contributes to the success of their competitive strategy (Huang, 2001). According to Ferris (1999), an issue that is not answered yet is the extent to which the various practices in HRM systems have differential impacts on organisational effectiveness, including, apart from financial performance, success in applying organisational strategy and achievement of strategic goals.

## Research design and data analysis

The original sampling frame consisted of 30 managerial and technical directors of 10 Greek professional football clubs, which had a continuous attendance in the first division (Super League), of Greek football league during the last five years (from 2003 to 2007). Responses were received from 27 managerial and technical directors of 9 Greek professional football clubs with a 90 percent response rate. The participatory football clubs were divided into two groups based on their budget: (a) wealthy football clubs, and (b) less wealthy football clubs. For the purpose of the study a survey was used (developed by Vogt & Murrell, 1990), in order to provide information on how managerial and technical directors see themselves in terms of the empowerment process. The first part of the management style survey included questions concerning demographics such as age, gender, educational level and job status. The second

part consisted of 30 questions, which included six units based on areas of research mentioned above. The questions were answered using a five point Scale (G, B, Y, O, and R). Each letter of the scale represented different managerial styles and depicted the respondent's behaviour and actions. Each respondent tried to determine his/her behaviour that most often occurred between the two endpoints. The reliability of the scale was found to be  $\alpha = .84$ .

The study was a quantitative design. The analysis was exploratory in nature and examined whether there is a relationship between the key factors of empowerment and the performance of football clubs, the strength and the direction of this relationship.

Descriptive statistics and Pearson correlation was performed to examine variables relationship using SPSS software (version 15).

### Results

From the analysis it is shown that the managerial and technical directors of wealthy football clubs used 66.7% "more empowering style and less controlling" and 33.3% "controlling style" in the six key factors of empowerment. On the other hand, the managerial and technical directors of less wealthy football clubs used 16.7% "more empowering style and less controlling", 33.3% "totally empowering style", and 50% "controlling style" in the six key factors of empowerment.

The analysis also indicated that there were no significant relationships between the key factors of empowerment and the three performance indicators (the average of revenues in five years, the average of profit/loss in five years, and the average classification of football clubs in five years) of wealthy football clubs.

In less wealthy football clubs the analysis indicated that there was a strong and positive relationship between average of revenues in five years and two key factors of empowerment such as: the management information /communication system skills with a correlation of  $r = .970$ , ( $p = .001$ ) and the total of all managerial functions with a correlation of  $r = .845$ , ( $p = .034$ ). There were no significant relationships found between the key factors of empowerment and the other two performance indicators.

### Discussion and conclusion

The results of the study indicated that empowerment is being used similarly in wealthy football clubs as well as in less wealthy football clubs. The basic difference between them was in the managerial styles they used. Moreover, in less wealthy football clubs there was a strong and positive relationship between average of revenues in five years and two key factors of empowerment. However, the findings of the present study revealed that empowerment had no significant relationship with performance of wealthy football clubs.

The present findings add credence to the argument that investment in the human capital is a particularly important factor to achieve competitive advantage (Becker & Gerhart, 1996; Bowen & Lawler, 1992). Considering that empowerment plays a vital role in ensuring that sport organisations will survive and prosper, the directors of wealthy football clubs must move towards "totally empowering style", of management. This could happen by developing an empowering culture based on a series of specific principals.

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