Chapter 8

CORPORATE SOCIAL RESPONSIBILITY IN SPORT

Stephen Morrow

Introduction

In the last two decades or so, many sport teams, leagues, organizations and athletes have embraced the principles and practices of corporate social responsibility (CSR). There are numerous instances of diverse community and social initiatives, at local, national and global levels, associated with a range of different sports in different countries. The following examples illustrate that diversity:

- In South Africa, FirstGolf is working with the Government of the Western Cape to create a multi-stakeholder corporate social initiative, providing facilities which will broaden the base of golf to include previously disadvantaged communities.
- Football for Hope is a strategic alliance between world football governing body, FIFA, and streetfootballworld, which promotes sustainable social and human development programmes focused on football in areas like health promotion, peace building, children’s rights and education, anti-discrimination and social integration and the environment.
- At English FA Premier League Club, Arsenal, the Arsenal Double Club is a programme run in school curriculum time through which ‘Arsenal teachers’ are employed in schools, working on literacy, numeracy, science and language programmes.
- In the United States, the Golden State Warriors NBA team has promoted a number of diversity initiatives in its communities, including LGBT evenings.
- In England, the Bright Sparks social inclusion programme run by Bristol Rugby Club combines rugby union skills, drills and games, with team building and leadership workshops, with the aim of re-engaging designated young people from schools in high-risk areas back into the educational process.

The purpose of this chapter is to provide an insight into CSR in sport. The chapter begins by considering the social responsibility of organizations in general, before going on to consider whether sport organizations have a particular social responsibility and/or particular opportunity to engage in socially responsible activities. This is followed by an overview of research that has focused on CSR in sport and in sport organizations, concluding with a more detailed description of a recently completed research project in the area.
The social responsibility of organizations

While interest in CSR has become more apparent in the last two or three decades in business, in the wider political and social context and also in academia (see Kakabadse et al., 2007 for an overview), relationships between business and society have been matters of concern for a couple of centuries. For example, the writings and actions of the industrialist and philanthropist, Andrew Carnegie, the Quaker tradition of major companies like Barclays and Cadbury and the pioneering co-operatives established by Robert Owen in New Lanark in Scotland all demonstrate, in different ways, long-standing concerns about how business impacts on people and society.

While no single widely accepted definition of CSR exists, a number of generally accepted characteristics are presented in the literature in terms of an organization’s obligations to society or furthering some social good extending beyond its narrow economic, technical and legal requirements (McWilliams and Siegel, 2000; Ullman, 1985; Wood, 1991). Carroll (1979, 1999) provides an important framework which recognized the multifaceted complexity of corporations’ responsibilities in society, where CSR is presented as consisting of four elements:

- **Economic**: of paramount importance as only profit-making enterprises will be able to continue in business and hence benefit society;
- **Legal**: the duty to follow the rules and regulations created for the good of everyone;
- **Ethical**: responsibilities going beyond economic and legal responsibilities which are consistent with societal expectations;
- **Discretionary**: activities that go beyond societal expectations.

In addition to the definition of social responsibility, the framework identified social issues to which these responsibilities are tied (consumerism, environment, discrimination, product safety, occupational safety and shareholders) and a consideration of the philosophy or strategy behind business response to social responsibility and social issues (reaction, defence, accommodation and proaction). One example which highlights different elements involved in CSR was the decision by the football club Celtic plc in 2003 to remove its then sponsor’s logo, the brewer Carling, from children’s versions of its replica jersey. This decision demonstrated how an ethical issue (the product and the sponsorship were legal) could turn into an economic one (i.e. the risk that protests and pressure from supporters’ groups and others could turn into a product boycott). Another example was the decision taken by the broadcaster BSkyB to terminate the contract of its FA Premier League football analyst Andy Gray, when evidence of his sexist behaviour and attitudes came to light in early 2011. BSkyB has invested heavily in corporate sport-based social responsibility initiatives, the benefits of which could have been undermined by any perception that the attitudes of Gray and fellow presenter Richard Keys were widespread.

More fundamentally, opinions about the nature of CSR derive from how one believes the world to be and indeed how one would like the world to be. For example, Gray et al. (1996) provide one illustration of the diversity of views on the relationships that exist between organizations and society, and hence on the nature of social responsibility. At one extreme are those who seek social change, or at the very least a diminution of the dominance of financial capital within social, economic and political life. At the other are those wedded to an unspoiled view of capitalism, where liberal economic democracy is considered a good approximation of how the world works and of how it should work. This latter view underpins
Friedman’s (1970) famous contribution on the legitimacy of CSR, where he argued that the social responsibility of business is to make profits and hence any activity, social or otherwise, is only justifiable when it is in the organization’s self-interest. A less extreme view suggests that longer term economic welfare and stability is achievable only if organizations accept that certain (usually minimum) social responsibilities require to be met.

This can be characterized as enlightened self-interest; recognition that some moral content requires to be added to the organization–society relationship in order to moderate the risk of unacceptable excesses that might otherwise occur (Gray et al., 1996). Both of these latter views rely on the separation thesis in which business is considered apart from ethical or social dimensions, reinforcing the pre-eminence of capitalism being about business with CSR as an add-on to ameliorate the worst excesses of business capitalism (Freeman et al., 2010: 262). CSR is thus conceptualized as a residual activity through which social responsibility is organizations giving back to society some of the value (profit) they have created, but CSR is not itself integrated with the organization’s value-creating activities. As Freeman et al. (2010) note, this residual view of CSR remains predominant today, particularly in the United States. Under this approach, the distribution of profits can be normatively motivated, e.g. where an organization believes that the welfare of society is more important than its own financial performance and hence profits are a means of improving society. Alternatively it can be instrumentally motivated, where CSR strategies sanction the firm to continue to make its profit. In the latter case the CSR activities need not be integrated into an organization’s activities or even entered into for well-principled reasons, but instead could simply be used as a defence mechanism, for example against campaigning stakeholders or constituencies.

Alternatively, companies and other organizations can be characterized as existing at society’s will and hence beholden to the wishes of society. In other words, all organizations, including businesses, are social institutions which operate in society via a social contract. Here the survival and growth of organizations is dependent on their ability to demonstrate both their legitimacy and their relevance, i.e. does society require the organization’s services and do the groups benefiting from its rewards have society’s approval? Wood’s (1991) work arises out of this view. In this, CSR is used as a basis to challenge the purpose of organizations, suggesting that they need to encompass larger and wider social interests and to consider the interests of stakeholders, including but not restricted to shareholders. The explicit identification of stakeholders, rather than the abstract interests of society, is an important development in this process. Moreover, in making explicit the link between the social of CSR and stakeholder theory, this work acted as a catalyst in promoting an integrated approach to CSR; the assimilation of social, ethical and environmental concerns into corporate strategy adopted by management. This approach parallels those early nineteenth-century cooperative industrial organizations promoted by social reformers like Robert Owen in New Lanark, in which the emphasis was on productivity, profit and the person (Claeys, 1992). As such CSR is not seen as the imposition of additional duties on a ‘business as usual model’, but rather it is about widening the understanding of a corporation’s status and of its management’s responsibilities.

The social responsibility of sport organizations

In the last two decades or so, professional sport has become increasingly concerned with financial matters, with its clubs and leagues becoming more business oriented. But notwithstanding what could be termed the incorporation of sport, the very structure of professional sport and sport leagues – market interventions like promotion and relegation, transfer systems,
redistribution of league-wide revenues, salary caps and player drafts – emphasizes the inappropriateness of adopting an unfettered market approach to strategy and decision-making in sport and sport organizations. Professional sport continues to exist in a highly institutionalized structure, which inevitably has implications for how we understand the relationship between CSR and sport (Godfrey, 2009).

A more politically informed approach can be adopted where sport organizations are characterized as having distinctive characteristics which emphasize their societal and community significance, as well as their economic importance. Indeed, in some sports like professional football, the characterization of its clubs as social institutions as well as financial and sporting ones is something that dates back to their origins as one of the principal agents through which collective social identities were created and reinforced (Holt, 1989). Moreover, sport has advantages not enjoyed by other areas of activity.

In one of the key contributions to the sport CSR literature, Smith and Westerbeek (2007) put forward a powerful argument for the potential role that sport can play in bridging the gap between economic and social issues. In their paper they identify seven unique features of sport CSR. The importance of the first two features – 1) mass media distribution and communication power and 2) youth appeal – is the opportunity these provide to implement sport CSR initiatives that might be expected to have a greater impact than conventional CSR activities. Sport is a powerful vehicle for social messages and engagement, not least with youth.

The next four features – 3) positive health impacts, 4) social interaction, 5) sustainability awareness and 6) cultural understanding and integration – emphasize claims made for aspects of sport which, if accepted, hence provide a basis for developing sport CSR in pursuit of some or all of them. The final feature – 7) immediate gratification benefits – suggests that sport CSR can offer those involved in it fun and satisfaction, providing attractive, if imprecise, social advantages. In a similar vein, Babiak and Wolfe (2009) identify unique elements of the professional sport industry that may contribute to the practice of CSR, as well as increasing its impact, specifically: a greater responsiveness to CSR messages arising from the passion that sports teams and events generate among supporters and/or customers; the economic structure and funding of sports leagues and teams where the protection, real and perceived, afforded to leagues and teams by governments and others may encourage some stakeholders to expect a higher level of social and community responsibility from sport organizations in compensation; the high degree of transparency in professional sport which leads to higher levels of scrutiny and demands for accountability; and the stakeholder nature of professional sport organizations. In a broader context, the importance of sport as a vehicle for international development, particularly at recreational and grassroots level, also relies on some of these features, coupled with its portrayal as a non-political vehicle which has the ability to send out messages to communities in a value-neutral manner, untainted by association with development institutions and politicians (Levermore, 2010).

Accepting the distinct features of sport and the dual financial and social orientation of many sport organizations, the relevance of CSR principles and practices and the opportunities for sport become clear (Brown et al., 2010; Giulianotti, 2005; Godfrey, 2009; Morrow, 2003; Sheth and Babiak, 2009; Smith and Westerbeek, 2007). But at the same time caution is required. Sport is often portrayed unproblematically as something people believe is inherently good. It is frequently presented as a means of alleviating a variety of social problems and of improving individuals and communities, for example in increasing social inclusion, in engaging with diverse population groups in communities and in diverting young people from crime and anti-social behaviour; as well as contributing to international development in areas
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including empowerment, health awareness, peace building and conflict prevention or resolution (Beutler, 2008; Bridgewater, 2010; Coalter, 2007; Kidd, 2008; Levermore, 2010). However, the evidence available to back up some of the claims made for sport and hence for the impact of some of the community, social and development initiatives remains weak (Coalter, 2007; Levermore, 2010; Tacon, 2007), not least because research into the precise contribution of sport faces substantial methodological problems (Coalter, 2007). There is also a need to prioritize improved monitoring and evaluation of projects and initiatives.

Other critical perspectives on sport CSR highlight its conflicting images or messages. Athletes are portrayed as role models, despite numerous high-profile misdemeanours involving alcohol, drugs and/or sex. Focusing on sport-for-development, Levermore (2010) contrasts its putative virtuous potential for promoting various forms of development with its tarnished image as a site for cheating, corruption and financial inequality. Blumrodt et al. (2010) and Hamil et al. (2010) observe the paradox that despite numerous scandals in professional football, ranging from match fixing to what has been described as ‘financial doping’, it remains the most popular sport entertainment activity and hence a powerful social vehicle. Drawing on sport’s institutional structure and actors, Godfrey (2009) poses a series of thought-provoking questions to focus attention on CSR issues that may be unique to sport as a social and economic institution. These include:

- What social obligations or responsibilities do athletes, teams and sport organizations have toward the communities in which they are based?
- Do professional teams and leagues have obligations to stay in communities under less than optimal economic conditions?
- Do sport organizations have an obligation to promote values like participation and fair play rather than winning?
- Does the escalation of athlete salaries have non-economic effects on different stakeholders?

Review of CSR in sport

While almost all of the papers on aspects of CSR in sport comment on the lack of attention that CSR has received in sport management, there is now a growing body of literature on the subject. In 2009, a special edition of the Journal of Sport Management, a leading journal in the area, was given over to CSR in sport, the aim of which was to enhance and expand the literature by examining research and issues related to CSR within the sport context. This was followed the following year, 2010, by a special issue of the Journal of Management and Organization, devoted to CSR, philanthropy and entrepreneurship in sport. Previously, in 2007 both the North American Society of Sport Management Conference and the Academy of Management Annual Meeting included symposia on CSR in professional sport.

Three broad themes dominate the wider CSR literature: 1) conceptual/theoretical papers; 2) motives-oriented work; and 3) outcomes-oriented work. Unsurprisingly sport CSR research studies are concentrated in the second and third of these themes (though as discussed in the previous section, a small number of papers such as Smith and Westerbeek (2007) have focused or touched on conceptual issues such as the distinctiveness of the sport setting and hence its significance to the CSR debate).

The majority of sport CSR papers thus rely on conceptual frameworks developed in the mainstream literature. One exception to this, however, is Breitbarth and Harris’s (2008) paper, which, using a blend of induction and deduction reasoning processes, proposes a
conceptual model outlining the role that football can play in creating value for its external shareholders, while at the same time positioning itself as an influential social, economic and political agent. Four distinct areas are identified: football as an agent in the creation of humanitarian value, for example through the support of supra-national organizations concerned with nation building; football as a business agent in the creation of financial value for other industries; football as a social agent fostering cultural value, for example through social and personal identification; and football as a functional agent in the creation of reassurance value, which the authors indicate as being the game’s ability to bring together commercial and political actors with people, for example through social marketing campaigns. The paper also provides empirical evidence to support the model from case studies of football clubs in four countries: England, Germany, Japan and the United States. At the same time a number of papers which are primarily outcomes-oriented or motives-oriented also contain a conceptual element (see, for example, Lachowetz and Gladden, 2003; Walker and Kent, 2009).

The brief review below sets out some of the principal contributions organized around these two themes, as well as a number of other less easily classified papers.

Outcomes-oriented

Papers in this section include those that focus on the link between CSR and financial performance, as well as studies which consider the impact, effects and influence of CSR actions from a consumer or customer perspective. Prominent here are examinations of sport CSR from a marketing perspective, where the emphasis is on organizational activities that are designed to benefit the organization and society such as cause-related marketing and sponsorship, where the marketing activities are characterized by contributing a specific sum to a designated not-for-profit activity, that in turn encourages customers to enter into revenue-providing exchanges (Mullen, 1997). More simply it can be thought of as the marketing strategy an organization uses to associate itself with a good cause (Kim et al., 2010).

Lachowetz and Gladden (2003) introduce a framework for evaluating and understanding the effectiveness of cause-related marketing programmes in the spectator sport industry. The conditions necessary for optimal implementation of a cause-related sport marketing programme are identified as: a cause that resonates with consumers and organization; complete and genuine organizational commitment to the cause; evidence of a tangible transfer to the not-for-profit activity; and promotion of the cause-related sport marketing programme. The extent to which these conditions are met will determine the extent to which the following outcomes will result: enhanced brand image, enhanced brand loyalty and consumer brand switching. What emerges in several studies is the suggestion that increasingly sport organizations are strategically deploying their CSR activities in order to contribute to the organization’s financial performance while simultaneously making a contribution to society, hence ensuring the sustainability of cause-related marketing (Irwin et al., 2003; Lachowetz and Irwin, 2002; Roy and Graeff, 2003; Walker and Kent, 2009, 2010). In terms of major sport events, an ongoing study at Cambridge University’s Judge Business School is seeking to provide a more rigorous view of the supposed return on investment from CSR and grassroots marketing activities, in conjunction with the London 2012 Olympics and other major sport sponsors.

A small body of work has focused on the effects of CSR actions on consumers. Irwin et al. (2003) examined the attitudes, beliefs and purchase intentions of consumers exposed to a firm’s sponsorship of a professional golf tournament. They examined the effect that sponsorship of an
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event, the FedEx St Jude Classic, had on the image of a major US company as well as on consumers’ propensity to purchase from that company. (The FedEx St Jude Classic was a PGA Tour event which had raised in excess of $13m for the beneficiary, the St Jude Children’s Research Hospital, 90 per cent of which had arisen following FedEx’s sponsorship). Their findings were consistent with previous studies, indicating that individuals believe cause-related marketing to be an important and positive component of a company’s activities. They also reported that positive attitudes towards sport-themed cause-related sponsorships had the potential to positively impact consumer/spectator impressions. Perhaps of most interest was that female respondents rated all cause-related marketing the same or higher than male respondents, indicating that it would be beneficial for marketers of sport targeting female consumers to consider developing partnerships with appropriate and significant causes.

Walker and Kent (2009) were concerned with the benefits that might accrue to organizations from CSR, specifically the reputational assessment and patronage intentions of consumers in response to various CSR activities within the National Football League (NFL) in the United States. Overall they found a general positivity in sport consumers’ responses, with CSR activities found to have a strong and positive impact on the team’s reputation. In developing an overall reputational assessment of the team, respondents were concerned not just with sporting performance, but also with non-product dimensions of the organization – in this case CSR – which explained 16 per cent of organizational reputation in their study. At the same time, however, the authors called for future research to be more incisive about the nature of sport fans and how they interpret information about activities related to their team/club, in particular the use of non-product dimensions by highly identified fans as a way of rationalizing their behavior. In terms of patronage intentions, they found that CSR was a significant predictor of word of mouth and merchandise consumption behaviour; a positive reaction to CSR allowing team fans to show their affiliation by buying team-related products and discussing their team. The authors identify this as a particularly important finding as where consumers perceive an organization as having a good reputation, this is likely to encourage them to talk in positive terms about the team and to demonstrate their affiliation by buying team-related products.

In another study, Walker and Kent (2010) focused on golf and the PGA Tour, long recognized as an industry leader in the area of CSR, seeking to explore whether discretionary/philanthropic CSR activities might have positive strategic outcomes for the Tour, beyond those pertaining to the direct corporate beneficiaries. They found that PGA Tour consumers’ faith in CSR was much broader than had previously been conceptualized. In addition to benefits that organizations would gain as a result of increased standing in the community, they also found that CSR had a substantial strategic role which can provide ‘value’ for the Tour. Specifically, consumers’ patronage intentions towards the Tour were significantly related to their belief in the CSR agenda, suggesting that social responsiveness can also lead to market competitiveness. Moreover, it was found that the most effective way to achieve secondary value for the organization was by integrating the core product (the PGA Tour) and social responsibility.

Another study concerned with CSR actions on consumers’ perceptions and opinions was that carried out by Giannoulakis and Drayer (2009). Here the focus was on the way consumer perceptions of NBA (National Basketball Association) players were influenced by league CSR initiatives like the NBA Cares program, an outreach initiative designed to address social issues with an emphasis on programmes that support education, youth and family development and health-related activities. Player image had been a major problem for the NBA following a number of controversies, including a brawl between players representing Detroit
Pistons and Indiana Pacers and various instances of steroid, drug and alcohol abuse. Consequently, questions about the authenticity of the NBA Cares programme and the motivations of the league and players in introducing it had been raised. Findings from the exploratory study suggested that while concerns about player image were still evident, the NBA Cares programme did appear to strengthen the image of the league and its players. This finding was considered to be of particular significance to the league given the impact players’ images have on financial outcomes like ticket sales, merchandising and sponsorship deals. A further interesting comment in this paper was its appeal to entities like the NBA to prioritize the monitoring and evaluation of social and community initiatives.

Motives-oriented

A small number of studies on CSR in sport have focused on motivations for sport organizations to engage in CSR, as well as on related issues like perspectives and understandings of CSR. One such paper is Babiak and Wolfe (2009), who, in response to a call from Margiolis and Walsh (2003) for researchers to look beyond the relationship between financial and social performance, sought to broaden the focus, instead concentrating on contextual forces that encourage sport organizations to become more socially responsible. Based on a sample of US professional sport teams in the NFL, MLB (Major League Baseball), NHL (National Hockey League) and NBA that had demonstrated a commitment to CSR initiatives, they adopted a qualitative approach involving the analysis of organizational documents, followed up by semi-structured interviews with mid- to high-ranking individuals working for professional sport teams.

The interviews were used to ascertain the motives for the organization’s CSR involvement, based around the key question: ‘Why is your organization involved in CSR?’ The data showed that external drivers of CSR (i.e. strategic responses to institutional pressures such as from the league, or the interconnectedness of the organizational field) play a more important role in determining the adoption of CSR by professional sport teams than internal drivers (resources like supporter passion and identification, media access and profile, or celebrity employees). They comment on the difficulties in both sustaining socially beneficial CSR initiatives that are driven by external factors due to poor alignment with internal values and core competencies, and conversely, in ensuring that internally driven CSR initiatives, appropriately aligned with internal values and competencies, reflect wider societal needs. Based on this they propose a framework that considers both external pressures and internal resources to explain the adoption and focus of CSR in professional sport organizations.

The perception and practice of CSR in North American professional sport franchises, in the shape of executives in those organizations, was the focus of a paper by Sheth and Babiak (2009). (The paper discussed in more detail in the final section of this chapter also explores similar themes in professional football in one part of the UK.) The Sheth and Babiak study found that professional sport executives view CSR as a strategic imperative for their business. The philanthropic nature of CSR in sport was emphasized by nearly all the respondents. Beyond philanthropy as an altruistic activity, it was also seen as a strategic tool to advance business interests, to improve the organization’s image and to help the community in which the team operated. Related to this last point, the importance of developing and maintaining partnerships and network was also stressed, these being seen as an effective way to work for the betterment of a community.

Ethical and philanthropic responsibilities were found to be viewed as more important than legal or economic ones, a finding the authors attributed, in part at least, to the prevalence of ethical concerns in US professional sport at that time (cf. Carroll, 1979, 1999). They suggest
that the most interesting relationships uncovered in their study were between organizational variables investigated and CSR perceptions and reporting. In particular they found that teams that are successful on the field may not require the image-enhancing function or community relationship building that socially responsible efforts might provide, while a team that is enjoying less on-field success may want to maintain its name and brand in the community. This was in line with the ranking of CSR priorities by executives, where they found that those who placed more of a priority on ethical/philanthropic CSR came from teams with lower winning percentages, suggesting perhaps that CSR is being used as a tool to enhance team/brand image in communities in which teams operate.

Looking beyond the United States, a number of studies, particularly around professional football, have considered CSR from a corporate governance-type perspective, broadening the issue of motivation to include issues of organizational form, ownership and organizational objectives. The majority of these studies around professional football have used some version of the stakeholder theory of the firm as the basis for analysis and discussion. This work has been most prominent in the United Kingdom, where there has been considerable attention devoted to the appropriateness of the limited liability corporate ownership model prevalent in most British football clubs to organizations grounded in society and community (Brown et al., 2010; Hamil, 1999; Morrow, 2003). The study carried out by Brown et al. (2010) was commissioned by Supporters Direct, an organization set up by the UK government to encourage greater supporter involvement in and ownership of British football clubs. The specific aims of the research were 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 that alternative fan or community ownership structures might bring;
- outline how the community role of football clubs relates to wider regulatory issues.

The final and summary reports are all available on the Supporters Direct website, along with the working papers which sought to provide a broader framework in which to consider the social and community value of football by relating it to wider debate around areas like social accounting (Ashton, 2008), social value (New Economics Foundation, 2008), the valuation of public goods (Barlow, 2008), and measuring the social impact of football (Casey-Challies, 2008). The report concludes that football as a whole has a great deal to gain from promoting an improved understanding of its social value, developing an appropriate framework through which it can be assessed and reporting its activities. In terms of motivations, it observes that ‘there are good business reasons as well as those of an enlightened self-interest in taking [the promotion and reporting of the social value of football] more seriously’ (p. 56). The report concludes by making a number of recommendations directed at clubs, football authorities, supporter agencies and governments, the aim of which is to make football a modern and responsible business.

**Other CSR themes**

In other papers focusing on professional football in the UK, Walters and Tacon (2010) use stakeholder theory to examine three key CSR issues around stakeholder definition and salience, firm actions and responses, and stakeholder actions and responses. Their study was based on interviews with senior stakeholder representatives from a number of different clubs, supporter bodies and football agencies and illustrated how stakeholder management strategies
could be used to implement CSR. In a further paper, Walters (2009) uses Smith and Westerbeek’s (2007) framework to consider the potential role that community sport trusts can play in helping commercial organizations meet their CSR objectives.

CSR has also been considered at the level of major events and event hosting. For example, in a paper focused on the Super Bowl, Babiak and Wolfe (2006) outlined the CSR activities undertaken by the NFL and the Super Bowl committee, as well as discussing how these activities could be used to build the NFL’s image as a socially responsible professional sport league. Misener and Mason’s (2009, 2010) studies focus on sporting events and community development, as well as considering how sport and non sport organizations can develop socially responsible programmes in conjunction with event hosting. Seguin et al.’s (2010) study was based on the use of CSR (or corporate support) rather than event sponsorship for a one-off major sporting event, the 2005 FINA World Aquatic Championships. The authors distinguish corporate support from event sponsorship by emphasizing that it is motivated by concerns related to civic engagement and social responsibility, rather than potential return on investment. The paper used stakeholder theory to determine how the organizing committee went about gaining corporate support and to consider how transferable this strategy would be for other events. The data analysed in their study re-affirmed the notion that a community as a whole benefits from hosting major events. Comparing their findings to Carroll’s (1979, 1999) CSR aspects, they reported that these were most clearly associated with the economic aspect (securing corporate funding for the event), but that legal and also discretionary aspects were also in evidence. Leadership and political and networking skills were also important in acquiring corporate support, along with the positioning of the event/sport as a cause.

**Corporate social responsibility in the Scottish Premier League: context and motivation**

In the final section of this chapter a description is provided of a study of CSR carried out by Hamil and Morrow (2011) in a very specific professional sporting context, the Scottish Premier (Football) League (SPL). The study involved all twelve clubs that were members of the SPL in season 2007/08. The project was concerned with a number of aspects of CSR among the SPL clubs, including types of engagement, mechanisms of structure and delivery, and motives and orientation, the latter being analysed in the context of Donaldson and Preston’s (1995) explanatory framework of the firm. Drawing on previous work in this area by both authors, the stakeholder theory of organizations was used to interpret the implications for football clubs.

The SPL provides an interesting research site within which to consider CSR for a number of reasons: the high public and media profile of football in Scotland (and in the UK); the high degree of stakeholder engagement in Scottish football clubs; the depiction of Scottish football clubs as being embedded in their communities – both geographical and cultural communities – and hence favourably positioned to influence society in general and specific communities; and the historical emphasis on relationships between business and society in Scotland’s political and social structure, in particular the emphasis of social democratic communitarianism.

Football clubs in the SPL vary markedly in size and status. The two largest SPL clubs have annual turnovers which range anywhere from £45 million to £70 million depending on on-field success, in particular qualification for the lucrative UEFA Champions’ League, and average weekly home attendances of around 50–60,000 people. At the other end of the scale the SPL is home to a number of clubs where turnover is in the region of £3–4m, with average weekly home attendances of 4–5,000. All the clubs are structured as shareholder-owned limited liability companies and the majority have concentrated ownership structures, i.e.
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where one or a few individuals own a large percentage of shares in the club. But notwithstanding their corporate status, the majority of the clubs behave as not-for-profit organizations, focusing on utility maximization rather than on the maximization of shareholder wealth. Few clubs make a financial profit. Indeed over the last 21 years, a combined profit has been reported for clubs in the SPL in only two seasons (2006/07 – £3m; 2007/08 – £23m) (PricewaterhouseCoopers, 2010).

Publicly available information including annual financial reports over a three-year period (financial years ending in 2005–07) and clubs’ official websites was used to provide a picture of CSR activity, both descriptive and strategic, among the SPL’s clubs. Content analysis was used to code the information disclosed under a number of pre-defined themes encompassing elements of social and community activity: education-related activities, charitable activities, youth development-/gender-related activities, environmental initiatives, health initiatives, supporter-related initiatives, economic/regeneration issues and social inclusion/exclusion. Some examples of the types of initiatives currently undertaken by SPL clubs are set out in Table 8.1.

Table 8.1 Examples of CSR activities undertaken by SPL clubs

<table>
<thead>
<tr>
<th>Club(s)</th>
<th>Project</th>
<th>Background</th>
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<tbody>
<tr>
<td>Celtic and Rangers</td>
<td>Vibrant Glasgow</td>
<td>Seeks to engage asylum seekers and refugees. The project aims to improve employability skills and self-confidence, developing a strong, fair and inclusive community.</td>
</tr>
<tr>
<td>Heart of Midlothian</td>
<td>Onside</td>
<td>Seeks to engage Young Offenders, focusing on education, employment and social responsibility exercises within a football setting.</td>
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<tr>
<td>Hibernian</td>
<td>Kick for Kids</td>
<td>Young people from Edinburgh-based charities engaging with local businesses to purchase season tickets for the benefit of those less fortunate.</td>
</tr>
<tr>
<td>Kilmarnock</td>
<td>Killie Cheerleaders</td>
<td>Focusing on girls from 8 to 18 years old, the project aims to encourage healthier and more physically active lifestyles and to encourage greater social inclusion through the presence of more females in and around the club.</td>
</tr>
<tr>
<td>Motherwell</td>
<td>Give Learning a Sporting Chance</td>
<td>Aims to use sport as the hook to encourage participants back into learning. The programme covers literacy and numeracy skills, healthy eating, report writing, presentations and business skills within a football environment.</td>
</tr>
<tr>
<td>St Johnstone</td>
<td>‘Plus’ – Mental Health Project</td>
<td>Football coaching sessions aimed at bringing people with mental health problems together to reduce the stigma of poor mental health, facilitate recovery through increased physical activity and encourage confidence and self-esteem.</td>
</tr>
<tr>
<td>St Mirren</td>
<td>Panda Club Diary</td>
<td>Focused on primary school children, the project delivers creative writing lessons using football as the hook and aims to increase literacy skills.</td>
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</tbody>
</table>

Source: Scottish Premier League, 2011
Semi-structured interviews were then held with representatives of all twelve SPL clubs, consistent with Breitbarth and Harris’s (2008) call for interviews covering entire leagues. The primary purpose of the interviews was to establish the motivation for clubs’ engagement in CSR. To that end, the target interviewees were managers with responsibility for CSR policy and practice. The interviews also focused on establishing the purpose and forms of CSR communication, the structures of clubs’ community departments, their links with public/private agencies and the extent to which clubs involved stakeholders in their CSR activities.

In terms of communication, little or no disclosure is provided by most clubs in their annual reports, while limited use is made of electronic communication via club websites. The most likely explanation for this is that the small size of most of the organizations limits their opportunities to devote resources to prioritizing CSR communication. Another explanation is that the concentrated ownership structures prevalent in most of the clubs, where one or a few individuals own a large percentage of shares in the company, encourages club executives to see the annual report as simply a legal reporting requirement, rather than also as a vehicle through which to communicate with wider groups of interested stakeholders.

Notwithstanding this, given clubs’ corporate status, improved communication would be potentially advantageous in terms of helping to legitimate their CSR orientation and activities, as well as addressing agency issues which could arise from perceptions of directors or executives pursuing private interests.

CSR activities are delivered by the football club itself (or some division thereof) in just over half the clubs and through a separate foundation or company in the other clubs. Those clubs which kept the activities in-house emphasized the benefits this provided in terms of retaining control of the activities the club was associated with. It was also seen as important by some clubs from a public relations perspective, allowing the club to make a statement that community activities were central to its activities. An important argument advanced in favour of a separate structure was that this reduced dependence on the inevitably unpredictable on-field performance of clubs, hence lessening the risk that expenditure on social and community activities might be seen as discretionary. At the same time it was acknowledged that this approach carried with it the risk that social and community activities could be ghettoized.

For some clubs involvement in CSR was normatively motivated, philanthropic behaviour which benefits the recipient only and demonstrates the donor’s social conscience. For others it was instrumentally motivated, used as a strategic tool through which to secure competitive advantage. At one small club, ostensibly all community activity was motivated by a philanthropic desire on the part of the majority owner to give something back to the community. (This was an unusual case, where a very small club was transformed on the field of play through the owner’s investment. The structure was not, however, sustainable and the club went into liquidation after the owner became terminally ill.) A small number of clubs talked in terms of their commitment to CSR reflecting the ethos of their club and of CSR providing a means by which their obligations to, and expectations of, their community of stakeholders could be fulfilled. At other clubs the embeddedness of highly engaged stakeholders (supporter groups) in the management of the organization was a contributory factor in motivating CSR engagement and in ensuring congruence in terms of prioritizing community and social activities.

The last decade or so has been financially challenging for Scottish football with clubs reporting sustained losses, record levels of indebtedness and several clubs having been placed in administration. In view of this it was unsurprising that at several clubs an
instrumental approach was evident, with CSR engagement being motivated by financial objectives, immediate and/or longer term. This could be characterized as a form of enlightened self-interest: club executives recognizing the fundamental importance of the club’s communities in sustaining it as a business. In this context it is important to note that television income in Scotland is markedly lower than in countries like England or other major television markets: £13m per annum for the SPL, compared to approximately £600m per annum in the English Premier League. Hence for Scottish clubs, the direct community of supporters remains the principal source of revenue.

Irrespective of the motivations espoused, one pervasive feature of the interviews was an absolute and unquestioning belief that football clubs were uniquely positioned to deliver CSR in Scotland. The views of the interviewees and their justification for those views reflected the arguments made by authors like Smith and Westerbeek (2007) and Babiak and Wolfe (2009), who had identified features which contribute to making professional sport an ideal vehicle through which to deliver CSR. Several clubs were seeking to take advantage of football’s putative special community role in an instrumental way to secure external funding; most noticeably by seeking to align their CSR activities with broader public sector or government social agendas. Linking this to previous comments, a further benefit of improved CSR communication by clubs would be to increase awareness of their activities, which in turn may increase their opportunities to engage in other funded social partnerships. At the same time, however, there was limited evidence of clubs undertaking monitoring and/or evaluation of their CSR projects, something which one would expect to see improve as a result of receiving public funding.

Scottish football clubs are an enduring presence in their communities, a reflection on their continuing reinterpretation of how they interact with and affect their communities, both economically and socially. The challenge is to harness the potential and the commitment within the clubs around CSR. Opportunities exist to improve the communication of clubs’ CSR activities, one benefit of which may be to facilitate partnership working in pursuit of wider social agendas. At the same time, greater engagement with clubs’ stakeholders and improved monitoring and evaluation of projects were identified as requirements within the SPL.

Summary

Sport is a prominent social and economic institution across the world. For many years sport organizations and athletes have been active in community development initiatives. In recent years, however, there has been evidence of a more formalized approach to CSR among sport organizations. Sport-related CSR is seen by some as having characteristics which distinguish it from CSR in other areas of activity, in particular its media profile and attractiveness to youth; characteristics which make it an ideal vehicle through which to promote CSR. These dimensions contribute to the effectiveness of sport CSR programmes and of their ability to generate awareness of social problems. The impact and power that sport has with respect to its CSR-related practices is also reflected in the growing body of academic literature on the subject. There continue to be opportunities for further development of this literature, including issues as diverse as stakeholder congruence around CSR motivation and engagement; the connection between ‘doing good’ and the public relations function and role of leagues, teams and clubs; cost–benefit analysis of sport CSR; and the relationship between organizational form and effective delivery of sport-related CSR.
References


