

## SOCIAL CAPITAL AND ORGANISATIONAL PERFORMANCE: A CASE STUDY OF A PROFESSIONAL SOCCER LEAGUE (PSL) CLUB IN SOUTH AFRICA

by

TALENT MOYO

Thesis submitted in fulfilment of the requirements for the degree

Master of Technology: Sport Management

In the Faculty of Business and Management Sciences

At the CapePeninsulaUniversity of Technology

Supervisor: Professor S.E.H. Davies Co-supervisor:Mr E. Joubert

Mowbray November2015

#### **CPUT** copyright information

The dissertation/thesis may not be published either in part (in scholarly, scientific or technical journals), or as a whole (as a monograph), unless permission has been obtained from the University

### DECLARATION

I, **Talent Moyo**, declare that the contents of this dissertation/thesis represent my own unaided work, and that the dissertation/thesis has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

oyo

4 November 2015

Signed

Date

## ABSTRACT

This research investigated the relationship between Social Capital created by Corporate Social Responsibility (CSR) initiatives and organisational performance at Ajax Cape Town FC a professional football club in the South African Premier Soccer League (PSL). A mixed methods approach was selected for data collection and interviews, questionnaires and content analysis were the tools used to collect data. The data collected suggested that Ajax Cape Town FC employed CSR initiatives that successfully created social capital, and consequently enjoyed various benefits from these activities. The CSR activities facilitated access to the club's target market, developed and improved mutually beneficial relations with the community and subsequently Ajax Cape Town FC experienced increased trust, a positive brand image and stronger loyalty from their fans and the broader community. The outcomes of this study providedan insight into a South African professional football club and demonstrate how CSR initiatives can be used to successfully improve organisational performance.

## **ACKNOWLEDGEMENTS**

I wish to thank:

- My Family for their continuous support and loveMy supervisors for their patience and guidance

# TABLE OF CONTENTS

	Declaration	i
	Abstract	ii
	Acknowledgements	iii
	List of Tables	vii
	List of Figures	viii
	List of Appendices	ix
	Glossary	х
СНАР	TER ONE: INTRODUCTION	
1.1	Introduction	1
1.1 1.2	Introduction Statement of research problem	1
1.1 1.2 1.3	Introduction Statement of research problem Background to the research problem	1 1
1.1 1.2 1.3 1.4	Introduction Statement of research problem Background to the research problem Research questions	1 1 1
1.1 1.2 1.3 1.4 1.5	Introduction Statement of research problem Background to the research problem Research questions Objectives of the research	1 1 1 2
1.1 1.2 1.3 1.4 1.5 1.6	Introduction Statement of research problem Background to the research problem Research questions Objectives of the research Delineation of research	1 1 1 2 2
1.1 1.2 1.3 1.4 1.5	Introduction Statement of research problem Background to the research problem Research questions Objectives of the research	1 1 1 2

## CHAPTER TWO: LITERATURE REVIEW

2.1	Introduction	4
2.2	Sport	5
2.2.1	Professional Sport	6
2.3	The Relation Between Sport and Development	8
2.3.1	Sport and Development	8 8 9
2.3.2	Sport for Development	9
2.3.3	Development through Sport	10
2.4	Professional Sport Organisations	11
2.4.1	Organisational Performance	15
2.5	The Balanced Score Card and the BCG Matrix in Success Measurement	18
2.5.1	Additional Techniques in Success Measurement	21
2.6	Corporate Social Responsibility	23
2.6.1	Benefits and Limitations of Corporate Social Responsibility	25
2.6.2	Corporate Social Responsibility in Professional Sport	27
2.6.3	Measuring CSR	29
2.6.3.1	The Virtue Matrix	30
2.7	Social Capital	32
2.7.1	Bonding, Bridging and Linking Social Capital	34
2.7.2	Social Capital in Sport	35
2.8	The link between Social Capital and CSR	37
2.8.1	FC Barcelona	38

Chelsea FC	40
The Premier Soccer League	42
Ajax Cape Town Football Club	43
Corporate Social Responsibility of Ajax Cape Town FC	44
Summary of Chapter	44
	The Premier Soccer League Ajax Cape Town Football Club Corporate Social Responsibility of Ajax Cape Town FC

#### CHAPTER THREE: RESEARCH DESIGN ANDMETHODOLOGY

3.1	Introduction	46
3.2	Mixed Method Research Approach	46
3.3	Qualitative Research Approach	48
3.4	Quantitative Research Approaches	48
3.5	Research Design	49
3.5.1	Cross-sectional/survey research design	49
3.5.2	Case Study research design	50
3.6	Data Collection Strategies	50
3.6.1	Content Analysis	51
3.6.2	Interviews	52
3.6.2.1	Advantages and Disadvantages	53
3.6.3	Questionnaires	54
3.6.3.1	Advantages and Disadvantages	55
3.6.3.2	Triangulation	55
3.7	Data Analysis and Interpretation	56
3.8	Qualitative Data Analysis	56
3.9	Quantitative Data Analysis	57
3.10	Validity	57
3.11	Ethical considerations	60
3.112	Summary of Chapter	60

#### **CHAPTER FOUR: FINDINGS**

4.1 4.2 4.2.1 4.2.1.1	Introduction Questionnaires Stakeholder Questionnaire Demographics	61 61 61 61
4.2.1.2 4.2.1.3 4.2.2 4.2.2.1	Ajax Cape Town FC Programmes Benefits of the Ajax Cape Town FC Programmes for the Community Ajax Cape Town FC Players Questionnaires Demographics	66 70 72 73
4.2.2.2	Ajax Cape Town CSR Programmes	75
4.2.2.3	Social Capital	76
4.2.2.4	Benefits of the CSR Programmes for Ajax Cape Town FC	78
4.3	Coding	79
4.3.1	Coding of Interviews	79
4.4	Outcome of Interviews	80
4.4.1	Aims and Objectives of Ajax Cape Town FC	80
4.4.2	Ajax Cape Town FC's Engagement in CSR Programmes	82
4.4.3	Aims and Objectives of Corporate Social Responsibility (CSR)	83
	Programmes	
4.4.4	Mutually Beneficial Relationships built from programmes	85
4.4.5	Benefits of Mutually Beneficial Relationships	85
4.4.6	Is Social Capital being created through these programmes?	86

4.4.7	Does this Social Capital impact on the performance of the Organisation?	87
4.5	Content Analysis	88
4.5.1	Ajax Cape Town FC Development	89
4.5.2	Tournaments	91
4.5.3	Community Scheme Programmes	92
4.5.4	Summary of Chapter	94

## **CHAPTER FIVE: DISCUSSION**

5.1	Introduction	95
5.2	Creating Social Capital	95
5.3	Effect of Social Capital on Organisational Performance	97
5.4	Social Capital for a Financially and Socially Successful	99
	Organisation	
5.5	Measuring Social Capital	102
5.6	The role of Social Capital in Professional Sport	103
5.8	Summary of Chapter	104

## CHAPTER SIX: RECOMMENDATIONS AND CONCLUSION

6.1	Introduction	105
6.2	Areas of Concern	105
6.3	Recommendations	105
6.3.1	Evaluating Success of CSR Activities	105
6.3.2	Players' Lack of Understanding of Significance of CSR	108
	Programmes	
6.3.3	Community Scheme Employees	108
6.3.4	Future Research	109
6.4	Conclusion	109
REFER	ENCES	111

#### List of Tables

- Table 1: Theories that can be applied to Sport Organisations
- Table 2: Characteristics of profit maximisers and utility maximisers
- Table 3: Strengths and weaknesses of mixed research approach
- Table 4: Advantages and disadvantages of interviews
- Table 5: Advantages and disadvantages of using questionnaires
- Table 6: Examples of Validity in Quantitative and Qualitative Research
- Table 7: Problems and issues addressed by Ajax Cape Town FC's CSR programmes
- Table 8: Social Capital created through these programmes
- Table 9: Benefits for the community from the Ajax Cape Town FC CSR Programmes
- Table 10: Effects of Ajax Cape Town FC CSR Programmes
- Table 11: Most important objectives of the Ajax Cape Town FC CSR programmes
- Table 12: Creation of Social Capital
- Table 13: Benefits of CSR Programmes for Ajax Cape Town FC
- Table 14: Most important benefits of CSR Programmes for Ajax Cape Town FC
- Table 15: Coding of interviews
- Table 16: Ajax Cape Town FC ABSA PSL League standing for last five seasons
- Table 17: Ajax Cape Town FC Community Scheme
- Table 18: The strategic benefits of CSR

#### List of Figures

- Figure 1: Sport Management Model
- Figure 2: Framework to show flow of Organisation's aim to Organisational performance
- Figure 3: The Balanced Score Card
- Figure 4: The Boston Consulting Group Matrix
- Figure 5: A matrix for identifying and analysing evaluative questions
- Figure 6: The Pyramid of Corporate Social Responsibility
- Figure 7: The role of CSR in corporate performance
- Figure 8: The Virtue Matrix
- Figure 9: Modelling a theory of social capital
- Figure 10: Social Capital formation through Sport Business
- Figure 11: Chelsea FC's strategic CSR Model
- Figure 12: Triangulation
- Figure 13: The Age Range of the Stakeholder Respondents
- Figure 14: Number of male andfemale stakeholder respondents
- Figure 15: Racial demographics of respondents
- Figure 16: Highest Qualification achieved by stakeholder respondents
- Figure 17: Participation in sport by stakeholder participants
- Figure 18: Access to sport facilities for stakeholder respondents
- Figure 19: Sports participated in by stakeholder respondents
- Figure 20: Stakeholders participation in Ajax Cape Town FC programmes
- Figure 21: Social Capital developed by Ajax Cape Town FC CSR programmes

Figure 22: Range of the Ajax Cape Town FC Players' ages

Figure 23: Frequency of Participation in Ajax Cape Town FC CSR Programmes

Figure 24: Achievementof CSR Objectives

Figure 25: The creation of Social Capital through Ajax Cape Town FC CSR Programmes

Figure 26: Players who graduated from the development programme

Figure 27: Proportion of Ajax Cape Town FC development players versus imported players presently at the club

Figure 28: Fluctuations in Ajax Cape Town FC's performance in the ABSA PSL for the last five seasons

Figure 29: Social Capital formation through Sport Business

Figure 30: A matrix for identifying and analysing evaluative questions The Ajax Cape Town Kick n' Learn Soccer Samba

## List of Appendices

Appendix A: Interview Schedules Appendix B: Dr Tonts's Questionnaire Appendix C: Participants Questionnaire Appendix D: Ajax Cape Town FC Staff Questionnaire Appendix E: Permission To Use Questionnaire Appendix F: Permission To Use Ajax Cape Town As Case Study Appendix G: Ethical Clearance

#### Glossary

- BCG Matrix Boston Consulting Group Matrix
- BSC Balanced Score Card
- CAS Court of Arbitration for Sport
- CSR Corporate Social Responsibility
- ESG Environmental, Social Governance
- FC Football Club
- MDG Millennium Development Goals
- MSCI Morgan Stanley Capital International
- PSL Premier Soccer League
- SAIDS South Africa Institute for Drug free Sport
- SASCOC South African Sports Confederation and Olympic Comittee
- UNICEF United Nations International Children's Emergency Fund
- WADA World Anti-Doping Agency

## **CHAPTER 1**

#### INTRODUCTION

#### 1.1. Introduction

The sport industry is growing throughout the world. Research in the sport industry at large has seen a significant increase as the world begins to realise the importance of the sport industry's contribution both socially and economically. The case for sport compiled by Sport and Recreation South Africa in 2009 suggests that, despite the extensive research on the potential benefits, sport must demonstrate tangible worthwhile outcomes. This study contributes to understanding how sport organisations can maximise their performance from building social capital and by extension show the social and economic benefits of sport.

### 1.2. Statement of research problem

To what extent does social capital that is developed through Corporate Social Responsibility (CSR) projects impact on the organisational performance of Ajax Cape Town FC?

### **1.3.** Background to the research problem

Social capital is a well-established concept in the sociological field. However, because of the unique characteristics of sport, it is postulated that there is potential for sport to create social capital via CSR projects, with the view that this benefits operationalperformance. This research aims to highlight the link between social capital and organisation performance and to show how sport organisations can create social capital in terms of social capital concepts developed by Spaaij and Westerbeek (2010:1356-1373).

#### 1.4. Research questions

- What is the role of social capital in sport?
- How does a professional sport organisation create social capital?

- How can social capital be measured in the organisation?
- Can social capital be incorporated in the strategic planning of the organisation?
- Does social capital affect the performance of the organisation?
- Is social capital a necessary factor for a financial and socially successful sport business organisation?

## 1.5. Objectives of the research

The objectives of this research are:

- to investigate the importance of social capital in sport organisations
- to highlight the link between social capital and organisation performance

## **1.6.** Delineation of research

This research focused on Ajax Cape Town FC as a case study.Ajax Cape Town FC is aprofessional football team that competes in the South African Premier Soccer League. Information relating to theirCSR initiatives and the performance of the organisation was studied. The social capital developed from these initiatives was identified and its link to the performance of the organisation was defined.

## 1.7. Significance of research

This research sought to identify the importance of social capital to sport organisations with a focus on a professional football team in the PSL and how social capital can be created using the social corporate responsibility initiatives of the organisation. The types of social capital created by different activities and their significance were highlighted. The findings of the study are relevant to other sport organisations, especially professional football clubs, both nationally and internationally.

#### 1.8. Summary

The objectives and significance of this study have been identified and highlighted in this chapter. The statement of the research problem is to determine the extent to which social capital developed by Ajax Cape Town FC through their CSR initiatives, impacts on organisational performance and to analyse these relations. The next chapter is an examination of literature and previous research that relate to sport, CSR and social capital.These concepts will be discussed in more depth.

#### **CHAPTER 2**

#### LITERATURE REVIEW

#### 2.1. Introduction

Sport is a multi-billion dollar industry boasting some of the world's biggest franchises and organisations. Over the years, sport has become an integral part of the global society and economy. A report compiled by Sport England in 2013 measured the value of Sport in terms of the Gross Value Added (GVA), in terms of spending and economic activity. The GVA is the measure of the contribution of a sector, industry or individual producer to the economy of the country. It is used to estimate the Gross Domestic Product (GDP). In 2010, Sport England found that sport contributed 1.9% to the generated Gross Value Added to the whole of the English economy. This placed sport in the top 15 industry sectors in England. In 2011, research by AT Keaney, a global management consulting firm, determined that the sports industry could be valued at between £350 billion and £450 billion (\$480-620 billion) globally.

It is acknowledged that sport is a huge economic contributor (Sport England, 2013; Sports Econ Austria, 2011; Zygband, Collignon, Sultan, Suntander and Valensi, 2011). Walters (2009:81-94) argues that sport has a unique social role and there is an increase in the recognition of sport's ability to address problematic social issues in numerous situations. A relevant historical example of this can be seen at one of Scotland's leading football teams, namely Celtic FC. Circa 1888, where the club recognised that the Celtic community's pride in their football team could be used as a social tool to correct socio-economic imbalance in the society. Celtic FC has a unique governance system that includes allowing their fans to have a say in the running of the organisation (Carr, Findlay, Hamil, Hill and Morrow, 2000: 70-87). This led to the formation of the Celtic Trust, which is an organisation that represents small shareholders and supporters of Celtic FC (The Celtic Trust, 2011). Carr, Findlay, Hamil, Hill and Morrow(2000: 70-87) surmise that Celtic FC has one of the most developed community involvement programmes in the United Kingdom.

Another example one can consider is in the country of Spain; where the Catalan people revere FC Barcelona, one of Europe's leading professional football clubs. It has been a symbol of Catalan identity during and since the oppressive Fascistrule of General Franco. FC Barcelona has since become one of the most prominent sport clubs in the world, made famous by their good performance on the soccer field, but

also identified for their far-reaching and extensive CSR activities, which extend to countries outside Europe (Hamil, Walters and Watson, 2010:475-504). It is contended that these clubs utilise their unique social status to unite the communities and give the people a strong sense of belonging and pride in their identity.

#### 2.2. Sport

The history of organised sport can be traced back to the 6th century in Greece where Pan-Hellenic games were held for amateur athletes (Kyle, 2010:116-117). In Egypt, there are paintings that show that organised sport was part of the society over several thousand years ago. In fact Decker (1992:212) suggests that it was the Ancient Egyptians who established the rules for most of the modern sports that we have today. The sports that were identified in the pharoanic monuments include; wrestling, weightlifting, long jump, swimming, rowing, shooting, fishing and athletics, as well as various kinds of ball games (State information service, 2009). The Olympics were first staged in Olympia, Greece in 776 B.C. They were set up in honour of the god Zeus and formed a sacrificial offering for benefits gained or hope for benefits to come (Reid, 2011: 25).

Holly (2010) highlighted that cave paintings have been found in the Lascaux caves in France depict sprinting and wrestling in the Upper Palaeolithic Era around 17,300 years ago. The origins of sport, however, remain elusive because the phenomenon seems to predate any substantial evidence (Kyle, 2010:116-117). The reasons why sport was played seems to have been based on the social structure of the area as well as the cultures and beliefs of the people at that time. Sport has therefore been understood in a variety of ways at different times by many peoples.

In Africa, sport was widely played before the beginning of the slave trade in the 16th century. The sports that were played are today referred to as traditional African sport. The traditional African sports were linked to social constraints such as work, religion, celebrations, family life, birth, coming of age and death. Some modern sports that were played in Africa include: wrestling, running, jumping, rowing and some ball games such as handball (Crego, 2003: 5-10).

Sport has demonstrated its social and economic importance throughout the world. Loy (1968:1) defines sport as any form of playful competition whose outcome is determined by physical skill, strategy or chance employed individually or in combination. According to Watt (2003: 9), sport is defined as any physical activity that people participate in at a variety of levels with a set of given rules. The activity may or may not be competitive.

Ross (2006: 273) further defines sport as an activity that one participates in and is represented by various degrees of competitiveness. Kumar (2009:14) identifies sport to be an activity that is governed by a set of rules or customs that one normally engages in competitively. Kumar (2009:14) argues that the physical capability of the competitor is the determinant of the outcome, thus supporting the definition given by Loy (1968:1). The author further extends thisunderstanding of sport and argues that sport is inclusive of mind sports and motor sports where there is not much physical activity, but where mental acuity or quality of equipment are major factors affecting the outcome.

Smith and Westerbeek (2004: 123) go beyond describing sport simply as a physical contest or game; they identify six characteristics that they believe complete the definition of sport today. These six characteristics are:

- There are set and defined rules;
- Highly organised with fixed structures;
- Physical pursuit which includes an element of play-like activity;
- Equipment and facilities are essential features;
- An intrinsic uncertainty of the outcome;
- Requires cooperation and conflict.

These definitions have many common themes, which include the fact that sport typically has an element of competition and is played at different levels.

## 2.2.1. Professional Sport

According to Ross (2006: 273), the concepts of participation in sport range from educational sport, which is when people participate in sport for fun and development of a new skill, to professional sport where the elite athletes are employed to play sport. Figure 1 shows that professional sport is at the apex of participation in sport.

Figure 1: Sport Management Model (Ross, 2006: 273)



It is generally agreed that professional sport is the most visible level of sport in the world. Athletes who participate in professional sport are often well-paid athletes; this means that for many professional and semi-professional athletes, playing sport is their job. In effect, they are paid to play and train full-time (Hoye, Smith, Nicholson, Steward and Westerbeek 2012: 54). According to Masteralexis (2009: 205-232), the professional sport industry creates events and exhibitions in which athletes compete as teams or as individuals and are paid for their performance.

The sport industry, notably professional sport, is unlike any other industry in the business world. Professional sport organisations have unique demands, which include having to compete with each other, as well as cooperate with each other (Zimbalist, 2003: 503). Vamplew (1988:13) reflects that in the period of 1875-1914, sport was already becoming highly commercialised in Britain. He provides the examples of horse racing and Irish Football as two sports that were regarded as 'more of a business than a sport' by 1885.

Vamplew (1988:13) goes on to argue that sport is no ordinary business because, while the main goal of a business could be to maximise profits, some sport clubs and associations exist to win titles and produce winning teams. Horse racing was predominantly organised for profit whereas soccer and cricket were found to be more focused on using their resources to produce winning teams (Vamplew, 1988: 77). Vamplew (1988: 77) identifies these clubs and associations as 'utility-maximisers'. The argument forwarded here highlights the uniqueness of sporting businesses. Thistheory is supported by Slack and Parent (2006: 5) and Hoye,

Smith, Nicholson, Steward and Westerbeek (2012: 4-5), who also identify this as a unique characteristic of professional sport.

According to Smith (2008: 33), professional sport caters to four groups of consumers. The first is the fans who attend events at the stadium or arena; the second is the television and other media audiences; third are communities which build facilities and support local clubs; and fourth, corporations which support leagues and clubs through sponsorship or other associations. Professional sport attracts significant amounts of funding from government and shareholders, who invest in the organisations, draw up sponsorship contracts and broadcast revenues increase the earnings for these sport organisations (Turner, 2007:25).

#### 2.3. TheRelation Between Sport and Development

#### 2.3.1. Sport and Development

The term 'development' cannot be exhaustively defined. The general consensus among academics, as expressed by Bramham and Hylton (2008: 3), is that it means the gradual consolidation of knowledge, teaching of competences and practical skills. Development suggests a transition through progressive stages and different outcomes can be expected.

While sport has been defined in more than one way, the definitions of sport given by Loy (1968:1), Watt (2003: 9), Ross (2006: 273), Kumar (2009:14) and Smith and Westerbeek (2004: 123), argue that sport is an activity in which one participates; it is normally competitive and includes mental sports and car sports. The outcome is typically determined by the capability of the participants.

Drawing from this delineation of development and sport, 'Sport development' can be defined as growth or progression of sport through different stages with different outcomes culminating in maturity. According to Bramham and Hylton (2008: 3), sport development becomes the section of the sport industry that focuses on fostering an interest, participation and performance in sport.

Klein (2011: 12), in his study of the Dominican baseball industry, uses the Global Value Chain model (GVC), which is a model that incorporates variables used in gaining insight into relations between nations and economies. The GVC is a model designed to look at trans-national economic flow systems. Using this model, Klein

(2011:17-18) reveals local benefits coming from international influences. In the example, which focuses on baseball related organisations and activities, four types of benefits are identified:

- Direct benefits to communities organisations getting directly involved in immediate communities, working with NGO's and players giving back to their communities;
- ii. Indirect benefits to communities Introducing young players into professional sport, creating employment opportunities for people in surrounding communities such as cleaners, cooks, grounds men etc;
- iii. Baseball as social capital –Players who proceed to the major league often go back and develop their communities;
- iv. Transfers as social aid There is a lot of money in baseball; the more players come from a community that plays professional baseball, the richer their families become and the community's stature is uplifted.

The findings of this study are relevant because Ajax Cape Town FC has a formalised relationship with a major professional European football club, which is Ajax Amsterdam. In that regard, there might be similarities in their structure and the structure of the baseball industry investigated by Klein (2011 17-18).

#### 2.3.2. Sport for Development

In November 2003, a resolution entitled 'Sport as a means to promote education, health, development and peace'was published by the United Nations' General Assembly. This resolution led to sport being identified internationally as a means to bring about development and peace. 2005 was declared "the year of Sport and Physical education and the production of a report on Sport for development and peace: towards achieving the Millennium Development Goals (MDGs)" (Burnett, 2011: 84). The Millennium Development goals include eight goals with achievable targets set for development by 2015. The Millennium Development Goals as published by the United Nations are:

- i.Eradicate extreme poverty and hunger
- ii.Achieve universal primary education
- iii. Promote gender equality and empower women
- iv.Reduce child mortality

v.Improve maternal health

- vi.Combat HIV and aids, malaria and other diseases
- vii.Ensure environmental sustainability

viii.Develop a global partnership for development

Levermore (2008: 185-186) groups the main objectives of sport for development into these clusters:

- Conflict resolution and intercultural understanding;
- Building physical, social, sport and community infrastructure;
- Raising awareness, particularly through education;
- Empowerment;
- Direct impact on physical and psychological health, as well as general welfare;
- Economic development/poverty alleviation.

Sport for Development is a phenomenon that can best be explained as giving the notion of progress for the targeted group or area (Burnett, 2011: 85). In her study, Burnett (2011: 84-94) looked at four programmes offered in South Africa, two of which are funded by the Sport and Recreation South Africa, namely the; 'Siyadlala' Mass Participation Programme and the School Sport Mass Participation Programme. The other two were The Active Community Clubs programme, which was implemented in the Eastern Cape Province and commissioned by the Australian Sports Commission, while the fourth case is the Youth Development through football, which is a joint initiative between the European Union and the German Development Commission. These programmes are designed to bring development to their target communities through sport and are based on the Millennium Development Goals.

## 2.3.3. Development through Sport

Skinner, Zakus and Cowell (2008: 253-275) suggest that changes in the policies governing sport have created two major responsibilities for sport development:

• First, to function as government legislation of policies, programmes, funding, and sport management and

 The second responsibility is the employment of sport as a platform to deal with societal issues and provide opportunities for disadvantaged members of society.

They identify that for successful community development, the members of the community must have a sense of belonging. Drawing from the work of Tonts (2005: 137-149), where he determines that sport creates social capital by developing relations between active sports participants and non-active members of sports clubs. It is clear that the social capital built by sport has the potential to create a sense of belonging for the members of the community, contributing to successful community development through sport.

Atherly (2006:348-360) reinforces this view by arguing that social capital is important especially in rural communities; social inclusion or exclusion from such organizations as community sport clubs can influence the daily life, social networks, community assimilation, and the stream of information that helps a resident create a sense of belonging. Skinner, Zakus and Cowell (2008: 253-275) conclude that sport can be used successfully as a vehicle for development in communities through successful creation of social capital, which will foster social inclusion.

### 2.4. Professional Sport Organisations

An organisation can be defined broadly as a group of people who work together to achieve a common purpose. Organisations exist for the achievement of goals that individuals cannot achieve on their own (Covell, Walker, Siciliano and Hess, 2007: 4). Baker and Esherick (2013: 37) define an organisation as an instrument that uses its collective capacity to pursue its goals. They identify an organisation as having its own identity, instrumentality, a programme of activity, membership, boundaries, permanence, division of labour, hierarchy of authority and procedures.

A sport organisation, according to Slack and Parent (2006: 5), is "a social entity involved in the sport industry; it is goal directed, with a consciously structured activity system and a relatively identifiable boundary". Smith and Westerbeek (2004: 123) identify sport business to be no different from any other business from a financial point of view, presumably because the key prerogative is to make a profit. However the priorities of professional sport organisations differ from those of other businesses. Where other businesses such as banks, car dealerships or

manufacturing companies might be involved in sport, their core business is not sport. The primary goal or main priority of a sport business would be sport and making a profit through sport (Slack and Parent, 2006: 5).

With the growth and development of sport, the management of sport organisations at all levels of sport has changed to accommodate this development. Managing sport organisations now involves techniques and strategies used in the modern businesses. Slack and Parent (2006: 9-12) as well as Covell, Walker, Siciliano and Hess(2007: 21-42) identify management theories used in business management that can be used in sport business management. They both highlight the theories that were once successful in business management as well more recent trends. A summary of the theories and their definition are depicted in table 1 below.

Theory	Definition
Task specialisation	The concept of the division of labour supplied by Adam Smith in 1937
Systems theory	This theory introduced in 1928 by Ludwig von Bertalanffy suggests that organisations are part of a system
Scientific management	Frederick Taylor in 1947 proposed that the way work was done could be studied and the best principle for doing that work determined.
Administrative theory	Henry Fayol in 1949 came up with the administrative duties of management which are organising, commanding, coordinating and controlling.
Decision sciences	This theory was developed after World War II and uses numbers to decide how best to use resources
Contingency theory	Mary Parker Follet in 1928 suggested that managers would improve performance of their organisation if they adjusted their style of leadership according to the situation that they face at that particular time.
Japanese management	A management style employed in Japan that has propelled the country into an economic power after their World War II defeat.
Continuous quality improvement	A management theory that uses Demming's 14 points to continuously produce high quality products.

**Table 1:** Theories that can be applied to Sport Organisations (Covell, Walker,Siciliano and Hess, 2007: 21-42)

In order to manage a sport business successfully, managers must be aware of all its unique aspects. The unique aspects of sport are identified by Hoye, Smith, Nicholson, Stewart and Westerbeek (2012: 4-5). These authors identify one of these aspects to be the phenomenon of people developing attachments to teams, events or athletes that often appear to be irrational.

An additional, unique point to note is that the sport product, unlike other products, is of a variable quality; it is a game or a contest. The outcomes of the game cannot be predicted and the perceptions of those watching the game is diminished or raised by their expectations being met or not in the game.

Sport, unlike other products, experiences a high level of brand loyalty. That is, supporters are less likely to change the teams they support. This phenomenon of brand loyalty makes market extension difficult because it is hard to attract new fans from other clubs who are familiar only with the customs and traditions of their existing sport affiliations (Hoye, Smith, Nicholson, Stewart and Westerbeek, 2012: 4-5).

Another distinctive feature of sport is that where businesses might have the aim of making a profit, professional sport organisations exists to win premierships, provide a service to stake holders or meet community service obligations. This is reinforced by Vamplew (1988: 13) who identifies two different types of sports organisations. He argues that sport organisations can be either profit-maximisers or utility-maximisers. He defines profit maximisers as sport organisations that aim to make a profit and utility maximisers as sport organisations who are willing to sacrifice profits for the sake of winning games and championships. Table 2 is adapted from Vamplew (1988: 79) and shows the distinct characteristics of profit maximisers and utility maximisers.

Profit Maximisers	Utility Maximisers	
More cost-conscious and will be less willing to pay their star players	Devote resources to producing a winning team	
	Willing to play uneconomic fixtures to	
labour mobility and earnings as a means to keep costs down	improve their win-loss record	
Unlikely to accept low returns	Might run at a loss and depend on	
	donations from supporters	
Profits would be distributed to	Profits would likely be used to increase	
shareholders, be used to buy or build	the wages of players or to purchase	
facilities and to increase the market more highly skilled players		
value of the organisation		

**Table 2:** Characteristics of profit maximisers and utility maximisers (Vamplew. 1988:79)

Andreff (2001: 251-279) argues that where sport organisations focus on profit maximisation; there is a risk that the ethics of sport and the spirit of sport are distorted. He highlights that the risk of sport losing its credibility is increased with the continued interference from commercial stakeholders. He gives an example of the Olympic Games, the FIFA World Cup and the Tour de France, which are events dominated by meeting the needs of television and/or media for viewer consumption. He highlights that because of the extraordinary costsof broadcasting rights for sports events, television networks need to secure prime time viewingin order to maximise return on investment. This observation is demonstrated by the 2004 Olympic Games television rights being worth 2.6 times more than the 1998 Olympic Games. He further identifies a number of problems that can occur in this kind of profit-focused organisation such as, cheating, embezzlement, match-fixing as well as doping. However, organisationshave been set up globally to take care of these problems in sport. Examples of these are the World Anti-Doping Agency (WADA), The Court of Arbitration for Sport (CAS) and other nationalised bodies such asthe South Africa Institute for Drug Free Sport (SAIDS) and The South African Sports Confederation and Olympic Committee (SASCOC), which are responsible for managing and protecting the ethics and spirit of sport.

While Andreff (2001: 251-279) discusses at length the problems that can occur from a profit maximising model, Kesenne (2006: 416-427) identifies problems in the utility maximisation model for sport organisations. He argues that it is impossible to increase the winning percentage of the team; the best they can do is obtain the best players for the team. He further argues that not seeking a profit could seriously affect the organisation's ability to break even and achieve its goals.

Fort and Quirk (2004: 20-32) recognise that it does not make sense for the manager of the professional sport organisation to impose a zero profit limit on the organisations when there is an opportunity to make a profit. They go on to clarify that utility maximisers do in fact often make a profit and need to do so for sustainability of the organisation. However, making that profit is not a priority or main objective for the organisation.

#### 2.4.1. Organisational Performance

Fanswho follow a sport; inevitably have an opinion on the performance of a team or a coach. Many sport organisations rarely evaluate their off-field performance (Hoye, Smith, Nicholson, Stewart and Westerbeek, 2012: 4-5). A good place to begin with organisational performance is looking at the objectives, mission and vision of the organisation.

The vision and mission statements are important guidelines for the success of the organisation and are key aspects of an organisation's strategic plan, because they are indicators of the direction that the organisation wants to take and can be used to outline the processto get there (Covell, Walker, Siciliano and Hess, 2007: 130-134).

Lebas (1995:23-35) explains why it is important to measure performance. In his theory, he proposes that measuring performance addressessome important questions that the organisation needs to ask to be successful. Some of these questions are:

- Where has the organisation been?
- Where is the organisation now?
- Where does the organisation want to go or how is the organisation going to get there?

Folane, Browne and Jagdev (2007: 605-620) identify three characteristics of assessing performance in an organisation. They identify the first characteristic as the environment that the organisation operates in. The assessment will then be done on the impact the organisation has on that specific market. The second characteristic they identify is that there must be objectives that the performance is based upon; the assessment in this case will be made on the performance based on a specific objective that the organisation wants to achieve. While the final characteristic identified is that there must be relevant, recognizable and measurable characteristics that can be assessed; in this case, the assessment will be completed on measurable parameters such as quality and on-field performance.

Gregory (1993:281-296) discusses the importance of managing performance by analysing internal and external organisational performance. He emphasises the importance of measuring the following aspects:

- Cost;
- Delivery;
- Customer needs;
- Quality and;
- Competitor's performance.

Figure 2, taken from Gregory (1993: 281-296), indicatesthe flow of an organisation's aim into the strategy and performance of the organisation. It shows that the performance feeds back into developing a strategy to reach the organisation's goals and objectives. From Figure 2, the difference between results, measures and process measures can be clearly seen.

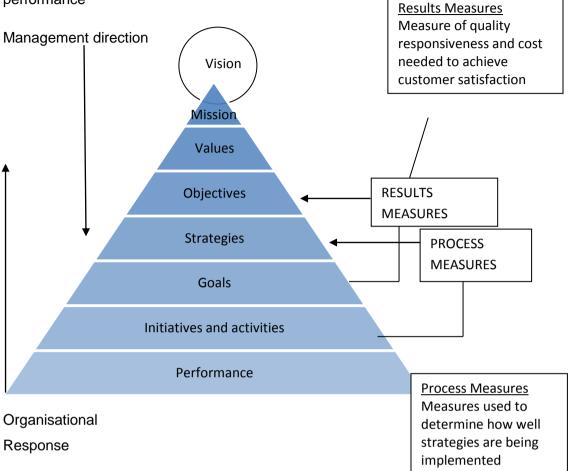


Figure 2: Framework to show flow of Organisation's aim to Organisational performance

The strategy developed must have a review system to monitor performance of the organisation, to make sure that the organisation is achieving its objectives and therefore performing well. The measure of success is always against the objectives of the organisation (Watt, 2003: 115-130). A systematic approach to performance management is an essential tool for identifying the weaknesses and design strategies that will strengthen the organisation (Hoye, Smith, Nicholson, Stewart and Westerbeek, 2012: 246-251).

Pun and White (2005:47-71) further states the importance of performance measures and identify which performance measure strategies have evolved and developed so that performance can be measured in non-financial characteristics. They identify ten new performance measurement strategies and identify a similarity in all of them, which they all link into the performance measurement of strategy formation for the organisation. This argument strengthens Gregory's (1993: 281-296) argument that the performance of an organisation is linked with the formation of the strategy of the organisation. The ten performance measurement strategies identified by Pun and White (2005:49-71) are:

- Strategic Measurement Analysis and Reporting Technique (Smart);
- Performance Measurement Questionnaire (PMQ);
- Results and Determinants Matrix (R & DM);
- The Balanced Score Card (BSC);
- Comparative Business Scorecard (CBS);
- Cambridge Performance Measurement Process (CPMP);
- Consistent Performance Measurement Systems (CPMS);
- Integrated Performance Measurement Systems (IPMS);
- Dynamic Performance Measurement Systems (DPMS);
- Integrated Performance Measurement Framework (IPMF).

# 2.5. The Balanced Score Card and the BCG Matrix in Success Measurement

The balanced score card (BSC) is a method used to measure business performance. This method was designed by Kaplan and Norton in 1992 and it has been adopted by many companies and has been successfully used in measuring the performance of the company based on the company's objectives. BSC measures more than just the financial performance of an organisation. This gives the organisation a broader vision of the success of the organisation (Kaplan and Norton 1996: 72).

The BSC binds short-term goals of the organisation to the long-term goals of the organisation. It uses four processes:

- Translating the vision; which is a process where the vision of the organisation is reduced into an integrated set of objectives and measures expressed as strategy statements;
- Communicating and linking; which is the process where management communicates these strategies up and down the organisation;
- Business planning; which is the process where business and financial plans are integrated;
- Feedback by learning; which is the process that allows the company to analyse feedback and monitor short-term results.

According to Kaplan and Norton (1996), the balanced scorecard provides answers to four basic questions:

- How do we look to shareholders? (Financial perspective);
- How do customers see us? (Customer perspective);
- What must we excel at? (Internal perspective); and
- Can we continue to improve and create value? (Innovation and learning perspective).

These questions are shown in Figure 3. It is important for the organisation to answer these questions regularly to ensure the long-term success of the organisation. The BSC is intended to help the organisation keep track of its vision by answering these questions regularly.

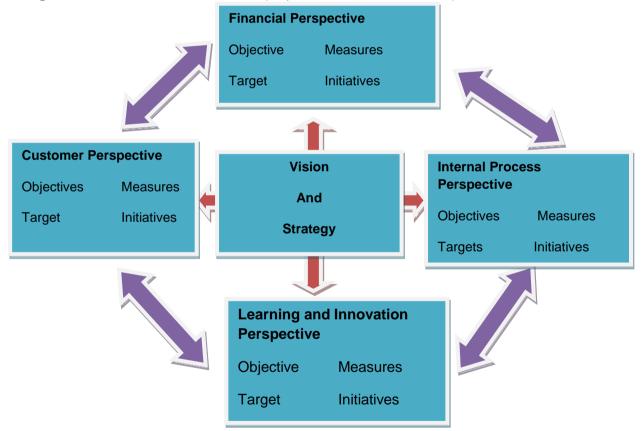


Figure 3: The Balanced Score Card (Kaplan and Norton, 1996:76)

Hoye, Smith, Nicholson, Stewart and Westerbeek (2012: 246-251) identify the Balanced Score Card (BSC) as a good method to measure organisational performance and they have adapted it and designed a model that would best fit the

special requirements of a sport organisation. The model they designed includes nine important points which are:

- Wins awards and successes;
- Financial sustainability;
- Market distribution;
- Market size and market share;
- Customer satisfaction;
- Internal procedures and processes;
- Product improvement;
- Staff development and learning;
- Economic, social and environmental impact of the sport.

Gregory (1993: 195) argues that the performance of an organisation cannot be totally measured using one method. His argument is supported by Wang, Li, Jan and Chang (2013: 24) who incorporated three methods of performance evaluation. They concluded that the use of more than one method of evaluation validates the performance measured and better serves the organisation in their strategic planning.

Another measurement method is the BCG Matrix. The BCG Matrix was developed by the Boston consulting group in the early 1970s and is used by organisations to determine where they stand in the market that is to evaluate their market value (Morrison and Wensley, 1991: 105-129). The BCG Matrix uses two areas of measurement; these are the market share and the market growth. Using the matrix, the organisation can decide whether their products/ services are giving them a return on their investments based on the rate or possibility of market growth for their product/service and the market share occupied by the organisation. The products/services are divided into four categories which are:

- Cash cows;
- Question marks;
- Dogs and;
- Stars.

The BCG matrix is normally illustrated in a box matrix diagram as in Figure 4. The products are plotted into the appropriate box depending on their market share and market growth levels (Morrison and Wensley, 1991: 105-129).

Figure 4: The Boston Consulting Group Matrix (http://www.mindtools.com/pages/article/newTED\_97.htm)

## RELATIVE MARKET SHARE

		High Cash G	eneration
	Low		
		Stars	Question Marks
		Earnings: low, stable, growing	Earnings: low, stable, growing
ATE		Cash Flow: neutral	Cash Flow: neutral
MARKET GROWTH RATE Cash Usage		Strategy: investment for growth	Strategy: investment for growth
	sage	Cash Cows	Dogs
RKET	Cash Usage	Earnings: high and stable	Earnings: low, unstable
MAI	Ŭ	Cash Flow: high and stable	Cash Flow: neutral or negative
	Low	Strategy: investment to maintain current level or harvest	Strategy: divest

### 2.5.1. Additional techniques in Success Measurement

The Balanced Score Card and the BCG matrix are considered to be reliable methods to measure organisational performancebut there is a dimension that is neglected by the two methods and that is customer satisfaction. This assessment method involves making value judgements about the extent to which the organisation or programme has accomplished a set of goals and objectives.

To supplement the previously discussed methods of measurement, figure 5 is taken from (Edgington, Hudson, Dieser and Edgington, 2004: 436) and is a matrix designed to measure the success of leisure programmes. This matrix considers the purpose, goals, strategies, programme elements and results of a leisure programme. The basis of this approach is pre-determined goals and objectives that have measurable outcomes. Although the matrix was developed to measure leisure programmes, in the context of this study, it can be adapted and used to measure the success of the CSR programmes of a selected Football club in the Premier League in South Africa, namely Ajax Cape Town FC.

	Categories of Evaluative Questions				
Purpose	Goals Strategies Programme Elements Results				
To Aid in	What goals were	What strategy was	What was the	What results	
Accountability	chosen?	chosen?	operational design?	were achieved?	
	What goals were considered and	What alternative strategies were	To what extent was it implemented?	Were the stated objectives	
	rejected?	considered?	What are the	achieved?	
	What alternative	What other	strengths and	What were the	
	goals might have	strategies might	weaknesses of the	positive and	
	been considered?	have been	design under	negative side	
		considered?	operating	effects?	
	What evidence		conditions?		
	exists to justify the	What evidence		What impact was	
	goals that were chosen?	exists to justify the	What was the	made on the	
	cnosen?	strategy that was chosen?	quality of the effort	target audience?	
	How defensible is	chosen?	to implement it?	What long-term	
	this evidence?	How defensible is	What was the	effects may be	
		this evidence?	actual design that	predicted?	
	How well have the		was implemented?		
	goals been	How well was the		What is the	
	translated into	chosen strategy	Overall, what is the	relation of costs	
	objectives?	translated into an	merit of the process	to benefits?	
	Overall what is the	operational design?	that was actually	Overall how	
	Overall, what is the merit of the goals	Overall, what was	carried out?	Overall, how valuable were the	
	that were chosen?	the merit of the		results and	
		chosen strategy?		impacts of this	
		Gildsen strategy:		effort?	

#### Figure 5: A matrix for identifying and analysing evaluative questions

The fact that the matrix takes into consideration many factors (the purpose, goals, strategies, programme elements and results) rather than one aspect at a time makes it a valuable tool in measuring the success of the CSR programmes based on the objectives of the programme. Each CSR programme implemented by Ajax Cape Town FC will be analysed using this matrix. The purpose of the programme will be considered as well as the goals, strategies, programme elements and results of the elements. The results of the programme may show the presence or absence

of social capital from each programme and might even give an idea of the type of social capital that is created.

## 2.6. Corporate Social Responsibility

Smith and Westerbeek (2004:112-113) define Corporate Social Responsibility (CSR) as a company's response to its social, political and economic responsibilities as defined through law and public policy. Business organisations are seen as citizens of the community and therefore have responsibilities towards the community. CSR is a growing interest and is seen as one of the key areas of sustainability for corporate businesses. CSR challenges businesses to clarify their ethical responsibilities, acknowledge expectations of their actions in addition to their organisation's objectives (Breitbarth and Harris, 2008: 179-206). It can be accepted that CSR encompasses activities that corporations use to fulfil what is explained as their social responsibility or moral obligations towards the community.

Caroll (1991:35-48) identified four components of CSR within a concept pyramid. It begins with the basic building block of economic performance and rises to the apex of the pyramid which reflects that a business is expected to be a good corporate citizen.



Figure 6: The Pyramid of Corporate Social Responsibility (Caroll, 1991: 42).

Leonard and McAdam (2003:28) identify CSR as inclusive of the following aspects:

- Human rights;
- Workplace and;
- Employee issues.

The employee issues they identify include;

- Occupational health and safety;
- Unfair business practices;
- Organisational governance;
- Environmental aspects;
- Marketplace and consumer issues;
- Community involvement and social development.

The sport industry has also identified the importance of CSR such that organisations and mega-events have begun to run CSR programmes. Babiak and Wolfe (2006:214) suggest that sport organisations cannot ignore CSR. Breitbarth and Harris (2008:181) developed a model using the four lines of thought of CSR which are:

- The political approach;
- The integrative approach;
- The ethical approach;
- The instrument approach.

Breitbarth and Harris' (2008:181) model is used to show the role of CSR in football business. They concluded that if these approaches are applied, they can create significant benefits for the sport and the organisations that govern it.

At its core, CSR is grounded in giving back to one's community, providing goodwill to others, and effectively bringing about change to important social causes while maintaining sound business strategies. Few management concerns are able to have such an effect both internally and externally on an organisation. Bradish and Cronin (2009: 691-697), make the point that CSR should be regarded as one of the most important components of contemporary sport management theory and practice.

## 2.6.1. Benefits and Limitations of Corporate Social Responsibility

Walters and Chadwick (2009: 946-967) found that through CSR activities, a "community trust model of governance" is developed between the professional sport organisation and the community and from this model six strategic benefits can be clearly identified. The six benefits are:

- The removal of community and commercial tensions,
- Reputation management,;
- Brand building;
- Local authority partnership;
- Commercial partnership and;
- Player identification.

Burke and Logson (1996: 496-500) suggest that an organisation can plan their CSR strategically. This means they can select activities or programmes that complement their organisational goals and will therefore enhance their organisational performance. They highlight the benefits of strategic CSR to include:

- Customer loyalty, future purchasers;
- Productivity gains from increased employee loyalty and morale;
- Public relations and marketing advantage;
- New product or graphic market opportunities;
- First to market or leadership benefits and an edge in meeting emergency needs.

To a certain extent, some sport organisations have developed a socially responsible orientation through application of CSR although this is mostly in utilitarian terms. As new concepts of CSR are being developed and incorporated into the business world, it has become increasingly associated with return on investment and therefore the organisation's performance. Figure 6 shows the benefits that link social CSR with organisational performance. The benefits of CSR viewed in this way are long term (Spaaij and Westerbeek, 2010:1361-1362).

Spaaij and Westerbeek show a positive relation between CSR and organisational performance while Inoue, Kent and Lee (2011: 531-549) found that CSR had a negative effect on the financial performance of professional sport organisations. They suggest that it could be that the public is unaware of the CSR activities of the team or that the CSR programmes are not strategically planned; hence the neutral

effect. They go on to identify an interesting point in their discussion where they break down CSR into two groups: strategic CSR and responsive CSR.

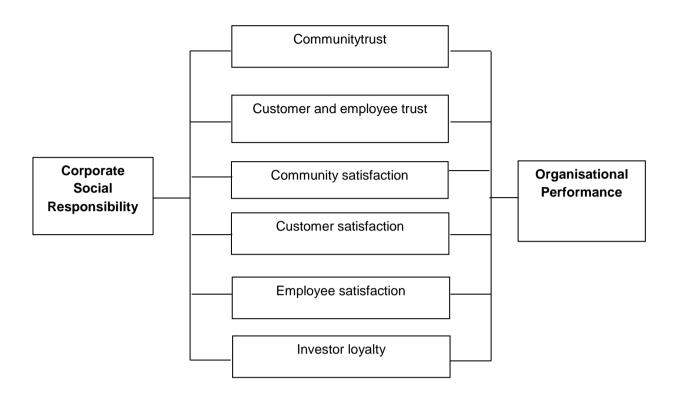
They define strategic CSR as activities that target social issues connected to the organisation's operational objectives: youth educational programmes that yield potential employees. These activities are likely to enhance the organisation's financial performance. They define responsive CSR as activities designed to improve social issues unrelated to the organisation: keeping crime off the streets programmes in the community. These activities are less likely to enhance financial performance for the organisation.

Servaes and Tamayo (2013: 1045-1061) hypothesise that CSR creates improved consumer perceptions towards the company; this is something which could result in an increase in the stock value of the company especially if the consumers are aware of the company's activities. On the other hand, Orlitzky (2013: 238-254) argues that the increase of CSR in businesses today causes a lot of noise on the stock market which in turn makes the market volatile and unstable.

Orlitzky (2013: 238-254) argues that the arguments put forth by Friedman (1970:51-55) have been forgotten as businesses have taken a more socially inclined approach. These perspectives are important in sport as some professional sport businesses are listed in the various stock exchanges worldwide and as such are likely to be affected by the same phenomena that affect other listed businesses in the stock market. Football clubs such as England's Manchester United, German's BorussiaDortmund and Italy's Juventus are trading well on the New York Stock Exchange, Frankfurt Stock exchange and BorsalItaliana, respectively (Harty, 2014).

The two groups, strategic CSR and responsive CSR suggested by Inoue, Kent and Lee (2011:531-549) seem to be fairly accurate as their definitions explain the strategic CSR theories proposed by (Walters and Chadwick (2009:946-967), Burke and Logson (1996: 495-502), and Spaaij and Westerbeek (2010: 1356-1373). In light of the above discussion, it would appear that CSR activities, while still perceived as humanitarian in nature, have become more business focused and increasingly used to elevate the business situation of the organisation as well as giving them leverage in the market.

**Figure 7**: The role of CSR in corporate performance (Spaaij and Westerbeek, 2010: 1362).



# 2.6.2. Corporate Social Responsibility in Professional Sport

Besides the pyramid of Corporate Social Responsibility, Carroll (1979:449) offered a conceptual model that comprehensively describes essential aspects of corporate social responsibility. The model is to help managers to conceptualize key issues in CSR. Babiak and Wolfe (2009: 717-742) in their research found that the main reasons for CSR being included in professional sport organisations were external factors that they view as strategic responses to institutional pressures including; key constituents, interconnectedness and league pressures on the organisation as well as internal resources including athletes, coaches and facilities. They reveal how CSR has become institutionalised by professional sport and identify that pressures from customers, team employees, corporate partners and other stakeholders have increased professional sport's engagement in CSR activities.

The study undertaken at Barcelona Football Club by Hamil, Walters and Watson (2010: 475-504) shows a strong link with FC Barcelona's CSR programmes and the organisations' performance. The authors posit that in the 2002-2003 period, when other professional European clubs were signing lucrative sponsorship deals for their shirts, FC Barcelona chose to differentiate itself by having UNICEF on their shirts.

They did not receive any money from this agreement but gave UNICEF 0.7% of their operating revenue. This marketing strategy propelled FC Barcelona's popularity in the countries outside Europe. Thus, from the 2002-2003 to the 2006-2007 period, FC Barcelona experienced a change in their financial performance with an increase in their revenues because of their increased popularity and larger fan base.

Hamil, Walters and Watson (2010:475-504) acknowledge that there are other factors that caused this change in performance such as good management and good marketing on Barcelona's part as well as application of financial discipline. FC Barcelona's CSR activities went global at this stage and their foundation which did most of the CSR for the club was expanded significantly. Chadwick and Arthur (2008 1-13) identify FC Barcelona's relation with UNICEF as a shrewd marketing move which is socially, ethically and morally principled; as a model for CSR, it is exemplary.

In support of the above statement, Blair (1997: 51-55) argues that sport franchises are no different from other companies in their intent to earn a profit and to make a positive impact in the economy of the cities in which they operate. If Blair's argument, that sport franchises are no different from other companies in their intent to make profit is taken into account, then sport organisations operate as other businesses. Caroll (1991: 39-48) suggests that profit-making organisations have legal responsibilities that they must adhere to in order to balance their profit-making obligations. These legal obligations are the expectation of a business's compliance with the laws and regulations imposed by the national government, local government and the ground rules for running a business. Legal obligations deal with fair operations and ethics.

In light of this then, drawing from Caroll's (1991: 39-48) definition of legal responsibilities, professional sport organisations areobliged and required to engage in CSR activities.

Some economic theorists argue that businesses are under no obligation to practise CSR. A notable proponent of this paradigm Friedman (1970:51-55) argued that when an organisation appoints someone to head CSR operations for the organisation, the individual then involuntarily imposes taxes on stockholders, employees and customers and decides how to spend the taxes. Friedman (1970:51-55) maintains that the sole purpose of corporations is to make profits; he furtherargues that it would be immoral for a business to neglect this primary purpose

28

and engage in corporate social responsibility activities. This view is supported by Davis, Lukomnik and Pitt-Watson (2006: 39-45) who further expand on Friedman's argument to propose that what Friedman actually means is that by maximising profits, corporations would produce required goods and services that will naturally lead to positive social consequences. Furthermore, the same authors maintain that the corporation is not accountable to the community and has no responsibility towards it.

However, there is a substantive alternative viewpoint in regard to CSR, whereEvan and Freeman (1993: 102-103) argue that a business has responsibility to more than just the owners, stockholders and employees. They highlight that the local community plays a role in the success of the organisation because without it, the organisation could face being ostracised and distrusted. This could lead to the loss of valuable customers.

The arguments offered by Friedman (1970: 51-55) and Davis, Lukomnik and Pitt-Watson, (2006: 39-45) while thought-provoking, fail to take into consideration the fact that, while corporations do pay taxes mainly because the law demands it, they have social obligations as well (Caroll; 1991:39). CSR has reached a point where it is structured in a way that ensures the corporation receive maximum benefits. CSR is therefore not contrary to the corporation's economic objectives as Friedman (1970: 51-55) argued and could in fact be regarded as a business strategy.

#### 2.6.3. Measuring CSR

CSR has become increasingly important in the business world and the amounts of money that businesses invest in CSR programmes has made it necessary for organisations to be able to assess or measure the effects of CSR. As discussed before, CSR affects how the company is viewed by the community arounditand has an impact on the overall performance of the organisation.

Cho, Lee and Park (2012:54) suggest that there is increased pressure for businesses to show the public what happens beyond the financial reports they make public. CSR reporting is a new type of non-financial reporting that multinational companies have increasingly utilised. These non-financial reports are often evaluated and a company's performance of CSR is generally quantified by rating agencies. For example, Morgan Stanley Capital International (MSCI) and

Environmental, Social and Governance (ESG) research provides in-depth analyses of the environmental, social and governance-related business practices of companies worldwide.

Marquez and Fombrun (2005: 304-308) discuss a three-step process most used by the agencies that specialise in measuring CSR to assess and rate CSR:

1. Available external information about the organisation is compiled;

- 2. Company completes a detailed questionnaire;
- 3. Internal and external key informants are interviewed.

This information is collated and comprehensive reports are compiled and made available to interested parties. These agencies make their income from commercializing these reports to interested stakeholders, public and customers. The rest of their income is gained from undertaking specialised in-depth research on individual companies and their environments.

### 2.6.3.1. The Virtue Matrix

Martin (2002: 62-75) undertakes to explain the intrinsic worth of CSR for businesses and has designed a virtue matrix to calculate the return on CSR for companies. The matrix answerssome important questions that organisations need to be aware of when assessing or designing their CSR strategies. The matrix addresses the following important questions:

- What motivates the demand for responsible corporate behaviour?
- Why does globalization affect CSR?
- What barriers affect increasing responsible corporate behaviour?
- What other forces add to the flowof CSR?

The virtue matrix can be defined as "an analytical tool that helps executives think about the pressing issue of corporate responsibility" (Martin, 2002: 69). Organisations can therefore use the virtue matrix to understand the factors and processes that are generators of socially responsible behaviour.

The reasons for embarking on any CSR activity for any business are identified as either intrinsic or instrumental. According to Martin (2002:70-71) instrumental CSR is when an organisation does CSR to enhance their shareholder value while intrinsic

CSR is done simply because the organisation believes it is the right thing to do regardless of whether it serves their shareholders' interests or not. Figure 8 depicts the virtue matrix as designed by Martin (2002: 70-71).

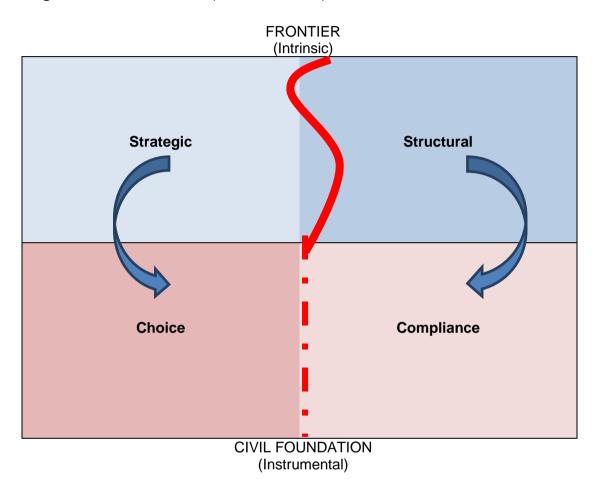


Figure 8: The Virtue Matrix (Martin, 2002: 73)

The two bottom quadrants of the matrix show what is referred to as the civil foundation. These are the norms, customs and regulations. Organisations engaging in CSR at this point do so as a choice to follow the customs or they do so in compliance with the law. For example, in South Africa, professional sports such as Cricket and Rugby must submit to a system known as the quota system which was designed and introduced to try and eliminate inequality in sports for previously disadvantaged peoplein South Africa. According to HöglundandSundberg(2008: 805-807).This level of participation in CSR does not go beyond what is least expected of the organisation by the community. The activities are instrumental to enhancing and/or maintaining the shareholder value.

The upper quadrants represent frontier behaviour in CSR. This is where organisations become innovative in their CSR activities. Their motivation is intrinsic; their objectives are not to maintain or increase their shareholder value but rather to do well in the community (Martin, 2002:73). A good example would be Ajax Cape Town FC's initiative to reduce crime; Ajax Cape Town FC have identified a need in the community and have created an initiative to fill that gap (Ajax Cape Town, 2013).

Therefore if a CSR initiative coincidentally benefits the shareholders then it is strategic and as the arrow in the virtue matrix suggests, its success can lead to other businesses imitating the concept by choice. If the CSR initiative remains completely intrinsic, with no contribution to the shareholder value, then it is classified as structural. However these activities tend to become regulatory activities mandated by law and the other organisations are obligated to comply.

The line between the bottom quadrants is not solid because one can flowinto the other making it a dynamic move. An organisation might make a choice to engage in CSR that later becomes a regulation. They must continue to comply with a regulation that later becomes a choice for them. The top two quadrants have a divider that is not fixed. The more an initiative becomes strategic, the less structural it becomes and vice-versa (Martin, 2002: 73).

#### 2.7. Social Capital

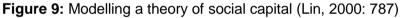
Spaaij and Westerbeek (2010: 1356) identify social capital as the ability of actors to secure benefits by virtue of membership in social networks and other social structures. They define social capital as social networks based on social and group norms, which enable people to trust and cooperate with each other and through which individuals or groups can obtain certain types of advantages. Portes (1998:9) defines social capital as the ability to secure benefits through memberships in networks and other social structures. Bourdieu (2008: 281) identifies social capital as a concept that is made up of social obligations convertible under certain conditions, into money. Lin (1999: 3) considerssocial capital as access to and use of resources embedded in social networks.

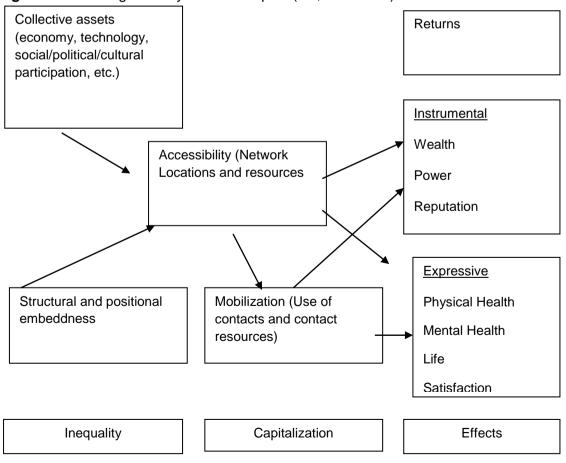
Hoye and Nicholson (2009: 441-460) identify two widely accepted definitions of social capital endorsed by Portes (2000:1-13). They interpret social capital as the sum of the actual or potential resources linked to control of a sustainable network of more or less institutionalized relations of mutual contacts.

Lin (2001: 6) suggests four reasons why the outcome of actions is enhanced in cases where social capital is developed.

- Social capital facilitates the flow of information, that is, social ties with individuals who are better informed about market needs and demands as well as opportunities which can provide useful information;
- Social ties can exert an influence. Social ties with influential individuals such as recruiters, employersor supervisors may influence decisions made on promotions or hiring;
- Social ties and relations can be conceived as certifications of the individual or organisation's social credentials, which may reflect accessibility to resources via the individual or organisation's social capital;
- Social relations reinforce identity and recognition, which is, the worth of an individual or an organisation as a member of a social group.

Lin (2000: 787) developed a model for social capital. The model in Figure 9 shows the preconditions and precursors of social capital as well as the possible returns of social capital.





There are four elements of social capital discussed by Spaaij and Westerbeek (2010:1356-1373) which include trust, reciprocity, shared beliefs and norms. Three forms of social capital; bonding, bridging and linking are identified.

- Bonding social capital refers to ties between immediate family and close friends; it is good for mobilizing solidarity;
- Bridging social capital refers to more distant ties such as work colleagues;Bridging social capital can generate broader identities and reciprocity;
- Link social capital refers to relations between individuals and groups in different social levels, linking social capital enables people in different communities to access a far wider range of resources than is available in their community.

These forms of social capital are discussed in detail below.

# 2.7.1. Bonding, Bridging and Linking Social Capital

The theory of social capital has identified three different forms of social capital and they are: 'bonding', 'bridging' and 'linking' social capital as identified by (Putnam 2000; Woolcock 1998: 151-208). Bonding social capital involves trust and reciprocity in closed networks and helps the process of living. Bridging social capital involves intersecting networks in which a member of one group can gain access to the resources of another group through intersecting membership in both groups. Linking social capital involves social relations with those in authority namelyspecialists, managers, community leaders, potential employers, experts which might be used to garner resources or power.

Kawachi, Kim, Coutts and Sabramanian (2004:682) identify the same three forms of social capital and their definitions are similar to those put forward by Putnam (2000: 16) and Woolcock (1998: 151-208). They identify bonding social capital as trust and co-operative relations between members of a network who are similar in terms of social identity for example, race/ethnicity. Bridging social capital refers to connections between those who are unlike each other yet are 'more or less equal in terms of their status and power while linking capital is defined as norms of respect and networks of trusting relations between people who are interacting across explicit, formal or institutionalized power or authority gradients in society.'

From the literature, it can be seen that bonding and bridging capital are clearly more from 'horizontal' relations, while linking capital refers to 'vertical' type relations. Bonding relations will have benefits for the person directly involved in this relation and on a more personal level. This is a closed network while bridging benefits go further and affect more people because it is a relation which connects two networks. Linking will be the form of social capital that gives the most involving benefits. The relation links people from different levels of society who can mutually benefit each other.

The network where bonding social capital develops is closed because it refers to bonds created between people in similar situations such as family, close friends and neighbours. The ties created are strong and good for fostering solidarity. The network for bridging and linking is open and can continually grow because the ties created in bridging and bonding social capital are more distant; for example the relation between work colleagues. Bridging and linking social capital are better for information diffusion and gaining access to external assets because there are broader identities involved, meaning the individuals are from different situations (Spaaij and Westerbeek, 2010:1360).

Woolcock (1998: 185) stresses that there are both costs and benefits to social relations. Long-term benefits, if any are to occur, are a result of a combination of different social capital forms built from different social relations. The key is to find the right balance between the forms of social capital. Stone (2003:13-16) suggests that the 'bonding', 'bridging' and 'linking' social capital framework provide a useful way for thinking about the various different types of relations that people have at any point in their life. The framework highlights the fact that different families and communities will have different mixes and combinations of these types of relations. That is, some people have strong family and friendship relations (bonding social capital), whereas other people may be more involved in community groups (a form of bridging social capital) or know many people in various organisations and institutions (linking social capital).

#### 2.7.2. Social Capital in Sport

Karimbedou and Pastadaras (2007: 21) suggest that sport can be seen as a form of positive social capital because it promotes social cohesion, social ties and trust among other things. They found that sport as a form of social capital not only providepositive outcomes, but some negative social capital, which in some cases is manifested in commercialisation whichcan promote exclusivity, gender

personification and doping. They highlight that it is a fairly new phenomenon for the sport governing bodies andthey concluded that sport has not developed as a form of social capital to the point where it can be nurtured and sustained to promote social cohesion and eliminate all possible negative outcomes. Tonts (2005: 137-149) in his study indicated that sport helps to develop both bonding and bridging social capital. He points out somedivisions in sport such as, race, gender, age and social class. Divisions show that there might indeed be a dark side to social capital.

Kobayashi, Nicholson and Hoye (2011: 51) in a study they undertook on the football clubs in the Australia Vanuatu area listed the following findings:

- Football clubs were found to be important areas for creating bonding social capital;
- They found no evidence of negative social capital outcomes;
- Football clubs act as social institutions that facilitate social ties;
- The ties developed were shown to be based on reciprocity;
- Highlighted the value to sport club administrators as they could easily access reliable flexible human resources and;
- The findings showed that access to different social networks gave the sport clubs access to different resources.

Ottessen, Jeppesen and Krustrup (2010: 118-131) believe that positive development of social capital occurs through physical activity (football and running) because it allows participants an opportunity to interact. They suggest that football may have an advantage over individual sports in the development of social capital. Seippel (2006: 169-183) hypothesised a positive effect due to more connected relations (member of sport and other organisations) and due to the level of activity in an organisation.

Okayasu, Kawahara and Nogawa (2010:163-183) concluded in their research that comprehensive community sport clubs show social capital through trust, network and reciprocity.Comprehensive community sport clubs can build bridging social capital and foster inclusive functioning. Schultz (2007:1-56) concludes that sport is an effective way of generating social capital.

The literature suggests that sport organisations can generate social capital; however the majority of the research has focused on non-profit sport organisations. It is posited that there is a paucity of research conducted in Africa on social capital in sport organisations andthis shortcoming is particularly apparent in terms of commercial sport entities.

### 2.8. The link between Social Capital and CSR

To effectively highlight the link between social capital and CSR, examples of professional sport organisations are discussed in more detail. Spaaij and Westerbeek (2010: 1363) propose that identifying the grassroots operations of professional sport organisations that result in social inclusion or exclusion is essential in understanding how much sport organisations have contributed to building social capital. They argue that practical examples demonstrate the different modes of deploying CSR and social capital through sport.

A number of examples will be discussed, in order to demonstrate that the social capital can be created by CSR initiatives; as illustrated in Figure 9.

It is important to note that it is not only football organisations that can create social capital through their CSR programmes, butalso other forms of sport organisations, for example Nike, a professional company that focuses on producing and selling sport gear and sporting goods or the ICC Cricket World Cup which is a professional mega sport event. Identifying these and other organisations, and discussing the social capital they can create through their CSR programmes are important in understanding social capital in the sport business.

Sport business organisation	Social responsibilities towards stakeholders	CSR activities directed at internal and external constituents Facilitation or support of sport	
Advancing towards achieving a profit or surplus seeking	Economic Legal Ethical Philanthropic	support of sport and recreation opportunities, for example through employee volunteering Facilitation or	Bonding social Capital Bridging Social Capital
objectives		support of educational opportunities Facilitation of job opportunities Facilitation or support of health programs	Linking Social Capital
		Contributionto community safety	Other forms of capital

**Figure 10:** Social Capital formation through Sport Business (Spaaij and Westerbeek, 2010: 1364).

### 2.8.1. FC Barcelona

FC Barcelona demonstrates links between CSR and social capital. FC Barcelona was founded in 1899 in Catalonia Spain. FC Barcelona has since grown into one of the most popular teams in the world since they first participated in the European Premier League. They have formed a foundation through which their CSR activities are driven. FC Barcelona uses 0.7% of their normal profit to fund the foundation that supports their CSR projects in loyalty to the millennium goals.Furthermore, this

commitment is enhanced by the professional players and coaching staff who donate 0.5% of their salaries to the foundation (FC Barcelona Foundation, n.d.).

FC Barcelona has expanded their CSR activities beyond the borders of Spain. They have many CSR projects that are implemented through their Foundation; such as 'Barca Kids' where they educate kids and teens through sport and classroom settings and the 'we are what we eat' project where youth are taught about healthy eating. These CSR projects are aligned with United Nations International Children's Emergency Fund (UNICEF). This relationship underpins FC Barcelona commitment to generating social capital, andstands out as the biggest CSR project for the club (FC Barcelona Foundation, n.d.).

They identified UNICEF as an organisation which hassocial goals similar to FC Barcelona's goals. They signed a five-year agreement with UNICEF in 2006 and have since worked together to promote positive sporting values around the world. Part of the agreement is that Barcelona makes a sizable donation to UNICEF and works with them in their projects such as their fight against HIV/AIDS. Another part of the agreement is that the UNICEF logo appears on the FC Barcelona football shirt. The success of their partnership led to a renewal of the agreement in 2011 for a further five years (FC Barcelona Foundation, n.d.).

FCBarcelona has, throughthis partnership, differentiated itself from other soccer teams in the world since they show themselves to be more humanitarian and caring. They have gained more international exposure and influence in global markets.

UNICEF programmes are international, reaching as far as African Countries such as Angola and Swaziland. This means that the club has created access to markets it could not effectively reach prior to the agreement with UNICEF. They have reenforced their original image to the Catalan (people native to Catalonia) inhabitants as a symbol of hope and pride for the people and it is argued that this CSR initiative along with the strong association with UNICEF hascontributed to improved fan loyalty.

UNICEF as an organisation has also benefited from this partnership with FC Barcelona, because it hasincreased their chances of getting funds and supporters. The logo on the FC Barcelona football shirt provides them with increased exposure. They gain funds from FC Barcelona as part of their agreement. They have the opportunity to use star FC Barcelona players in their projects to inspire the children. It can be concluded that the social capital that Barcelona FC successfully creates

through their relations with UNICEF is bridging social capital and can be identified through their CSR programmes.

# 2.8.2. Chelsea FC

Another example is Chelsea FC. Chelsea FC is a professional European football club formed in March 1905. Chelsea FC ispresentlymanaged by Jose Mourinho and the club is often referred to as 'the blues'. Their home stadium is Stamford Bridge and they are currently one of the top teams in the European Football League (Barclays Premier League, 2014).

Chelsea FC identifies CSR as an integral part of their vision(Chelsea FC, 2007: 6). The vision, which runs through the club, is that they want to be recognised as the world number one football club. They have stated in one of their CSR reports that profit is not the main aim of the CSR programmes and that they do not do it to increase their recognition, although that would be a desirable spin-off (Chelsea FC, 2007: 6).

The structure of Chelsea's strategic CSR model has four levels and is illustrated in the form of a pyramid (Figure 11) in their CSR report completed for the 2005-2006 financial year. The pyramid shows all the initiatives and programmes that they engage in with general activities at the base and more strategic programmes at the Apex. These are the activities that involve partners and are of a larger scale. 

 Key Partnerships

 National and Global

 charity partners.

 London and Global

 initiatives

 Schemes that are unique to

 Chelsea FC

 Central Initiatives

 Initiatives that all clubs in the Premier

 league engaged in

 General

 Less high Profile but important initiatives like donating

 wolunteering

Figure 11: Chelsea FC's strategic CSR Model (Chelsea FC, 2007:8-9)

In 2005, Chelsea FC according to their report invested 2.8% of their income in CSR initiatives. In their 2011-2012 report, Chelsea CSR programmes have focused on development and the initiatives revolve around sport development and community development. There are several initiatives they have identified in their report as being successful. These include soccer schools that aimto develop and train young players with potential. These soccer schoolscater for children who aspire to play football. Another initiative is the Asian stars programme designed to address the lack of Asian footballers in the top Europeanleagues. Kickz programme is a programme geared to foster safer, stronger, more respectful communities through targeting the youth and introducing more healthy and constructive activities into their lifestyle has been publicly praised by the Hon. Theresa May Home Secretary in the United Kingdom Parliament (Chelsea FC, 2013: 20).

Chelsea FC, through their CSR programmes, not only gains more recognition, but they are able to establish strong bonds with the community. The recognition of their social engagement by a top government official strengthens their credibility while increasing their influence in the communities they target. The participants in their programmes meet their heroes and gain skills through the coaching programmes or experience education, which are made enjoyable and fun, thus creating tangible benefits for participants. For example, the children in the Asian Stars programme gain the opportunity to compete for a place in the Chelsea FC elite training programme for a year (Chelsea FC, 2013: 12).

### 2.9. The Premier Soccer League

The Premier Soccer League and similar elite professional soccer divisions, such as Bundesliga, La Liga, the English Premier League, Ligue 1 and the American Soccer League have become arguably the most important and high profile facet of professional sport in the world. Since sport became professionalised, premier leagues have emerged around the world and served as a platform where the professionalism of a sport code is exhibited.

In South Africa, the Premier Soccer League (PSL) is the country's professional soccer league and is also known as the National Soccer League (NSL). The PSL was formed in 1996 and is an affiliate member of the South Africa Football Association which is the body that regulates professional football in South Africa (Premier Soccer league, n.d.).

The PSLconsists of sixteen teams and presents opportunities for local soccer players to build reputations for themselves. The PSL has considerable media coverage in South Africa and as such, sponsorships in soccer have continued to increase and include such brands as ABSA, Telkom, Nedbank, MTN and Coca Cola. In February 2008, the Mail and Guardian reported that the PSL brand was worth R200 million (Sindane, 2008). The PSL signed a R1.6 billion broadcast deal with Super Sport International in 2007 and a deal for over R500 million with South African Breweries and Absa in the same year. In 2008, they signed two R400 million deals with Nedbank and MTN (Morgan, n.d.). This agreement indicates a staggering increase in the value of the sponsorship and a clear increase in the number of sponsors.

According to the Premier Soccer League's official website, the objectives of the Premier Soccer League (PSL) are as follows:

- To foster friendly relations between officials, clubs, teams and players of the League, as well as promote the development of soccer in the Republic of South Africa;
- To promote, organise, control and administer professional soccer and facilitate the development of professional soccer in the Republic of South Africa, irrespective of race, colour, religion or politics;
- To uphold the Code of Ethics;
- To generally concern itself with all matters governing professional soccer in the Republic of South Africa;

- To utilise its funds for investments and other purposes as shall be in the interest of the League and the affiliated clubs and/or the objects for which the League has been established but not for the purposes of profits or gains;
- To promote the interests of MEMBERS. (Premier Soccer league, n.d.)

## 2.10. Ajax Cape Town Football Club

Ajax Cape Town FC was formed in October 1998 when Seven Stars football club and Cape Town Spurs football club merged. Rob Moore the chairman of Seven Stars football club visited Ajax Amsterdam and at this time the board of Ajax Amsterdam indicated an interest in establishing a club in South Africa where they could source and develop players, and thus Ajax Cape Town FC was born. During their first year, Ajax Cape Town FC trained at Thornton Sports Field. They then developed an academy in Parow, Cape Town. The club's headquarters are known as Ikamva (Which means "The Future"), which has a high standard of facilities for training, playing and supporting the overall management and operational requirements of the club (Ajax Cape Town FC, n.d.).

Ajax Cape Town FC identifies talent, develops andtrains young players and promotes them into the senior team when they are ready. They believe in striving to develop the academic and social qualities of its players. The club runs a community scheme that provides football opportunities to young people regardless of race, gender, social status or disability. The community scheme has reached more than 120 schools across the Western Cape reaching as far as the Cape Winelands since its inception (Ajax Cape Town FC, n.d.).

The vision of Ajax Cape Town FC is "To continuously challenge for the championship by developing our own players."

Their mission is "to challenge for the championship we need excellent youth development, be professional, play an attractive and attacking style football and be sustainably profitable."

The values of Ajax Cape Town FC are:

- A celebration of the beautiful "game";
- The exuberance of the youth that celebrates with our development programmes;
- The teamwork which celebrates our diversity;

- The humanity that celebrates the professionalism that makes us winners;
- And the profitability that ensures our celebration is sustainable (Ajax Cape Town FC, n.d.).

## 2.11. Corporate Social Responsibility of Ajax Cape Town FC

Ajax Cape Town FC has CSR programmes that they deliver to the surrounding community. The Ajax Cape Town FC Community Scheme is working in partnership with local communities to empower individuals to improve their lives and environment. They deliver programmes that are ground-breaking and innovative. Their main target groups are schools and disadvantaged or socially excluded groups in society. They focus oncrime reduction initiatives and community-based football coaching programs.

The main objectives, vision and mission of the CSR programmes of Ajax Cape Town FC, are the same as the overall objectives of the organisation (Mekuto, 2013).

In order tomeasure the success of these CSR programmes, the overall organisational objectives will have to be used. So it is logical to surmise that the outcome of these CSR Programmes would be linked to the overall organisational performance of the organisation.

Five key aims of the Ajax Cape Town Community Scheme, as articulated by one of their executives, are:

- Raising educational achievements;
- Creating Pathways to employment;
- Building healthier lifestyles;
- Bringing communities together;
- Reducing Crime.

### 2.12. Summary

This chapter discussed in detail the main facets of this study and its context .Previous studies undertaken in this area of study were reviewed and, together with the literature, showed that sport organisations can create social capital through their CSR activities. A comprehensive link between CSR and organisational performance is highlighted in this discussion. It is clear that little research has been done on

social capital in professional sport organisations.Noevidenceappeared of such research in Africa. Thus the absence of any known research into CSR, social capital, and organisational performancein professional sport, especially in South Africa provided a powerful rationale for the present study

### **CHAPTER 3**

#### **RESEARCH DESIGN AND METHODOLOGY**

#### 3.1. Introduction

When conducting research, the researcher must decide on the best way to collect data for the study. It is important that s/he consider the method that would best produce data that will answer the research questions. This chapter discusses research design and methodology as well as data collection methods. It is contended that the methodology best suited to this investigation is the mixed method research approach which was selected.

### 3.2. Mixed Method Research Approach

Qualitative and quantitative research approaches can be used together in the same research study. The strengths and weaknesses of a mixed method approach is summarised in Table 3. They have worked well in suitable research. They can be used successfully in two ways: one can facilitate the other or both can be used to investigate the same phenomenon simultaneously. In sport management, using the mixed method approach has the potential to strengthen the validity of the results (Edwards and Skinner, 2009: 6-7).

STRENGTHS	WEAKNESSES
The words and narratives can be used to add meaning to the numbers	Can be difficult for a single researcher to carry out both qualitative and quantitative research
The numbers can be used to provide precision to the words	Researcher has to learn about multiple approaches and methods and understand how to mix them appropriately
Can answer a broader and more complete range of questions	More expensive
The researcher can use the strengths of one method to counter the weaknesses of the other	More time consuming
Can increase generalisability of the results	
Can provide stronger evidence for a conclusion	
Can add insights and understanding that might be missed when a single method is used.	

Table 3: Strengths and weaknesses of mixed research approach (Smith, 2010: 193)

A mixed method approach can occur in one of two ways: one is parallel in design, where the qualitative and the quantitative data are collected simultaneously. The other is the sequential design, where one phase of data collection takes place before another. The sequence depends on the phenomenon being studied (Smith, 2010: 194). This study followed a parallel design with qualitative and quantitative data being collected simultaneously.

The following research approaches are identified and discussed in more detail below.

# 3.3. Qualitative Research Approach

The qualitative research approach is an approach to research that aims to capture meanings and qualities that are not quantifiable(Lynch, 2010: 70). Qualitative research methods may be used because the phenomenon being studied cannot be replicated in a laboratory setting or analyzed using quantitative methods for example observing the acts of sportsmanship (Lynch, 2010: 70). Advantages of qualitative research are identified by Veal (2006: 195) and Gratton and Jones (2010: 32). The advantages identified are:

- The method corresponds with the nature of the phenomenon being studied, 'a qualitative experience';
- The method brings people back into the research; the research is not impersonal like quantitative methods;
- The results can be understood by people who are not statistically trained;
- The method is better able to encompass change over time;
- The data collected is rich and subjective;
- The location of the research is often natural;
- Uses smaller samples or cases;
- The approach to data collection is often flexible and at times non-traditional for example content analysis;
- The researcher is usually the data collection instrument;
- The social reality is assumed to be subjective to the experience.

# 3.4. Quantitative Research Approaches

Quantitative research is the use of numerical measurement and analysis in conducting research. In quantitative research, it has to be possible to measure and quantify the variables directly. A set of numerical data is obtained and analysed.

Quantitative research methods are closely aligned to a positivist approach to research(Gratton and Jones, 2010: 21-23).

Quantitative research approaches are characterized by numerical analysis to measure social phenomenawhich assumes a single, objective social reality. It considers social reality as constant across different times and settings; using parametric statistics to analyse data and determine relations. The researcher is objective and detached from the subjects being studied. The setting is usually contrived meaning, the environment is created and maintained for optimum results and data is collected using inanimate objects; it is generally deductive (Gratton and Jones, 2010: 21-23).

#### 3.5. Research Design

According to Gratton and Jones (2010: 100-109) the research design is the essential guide to collection of data for the study. They identify seven types of research designs which include:

- Experimental;
- Cross-sectional;
- Time series;
- Longitudinal;
- Case study;
- Grounded theory;
- Ethnography.

Of the seven, two designs, namely, cross-sectional and case study were identified as most compatible with this research study.

#### 3.5.1. Cross-sectional/survey research design

A cross-sectional design is when a sample is taken from the overall population; the data collected from this group can be generalized back to the population. A cross-sectional research design is sometimes referred to as a survey research design. Smith (2010: 105) provides the following definition for the survey research design;

"Survey is defined as a systematic gathering of information from a sample of individuals for the purposes of describing the attributes of the larger population of which the individuals are members". In reference to this definition, Ajax Cape Town F.C. was selected as a cross-sectional group, representative of professional football organisations in the Premier Soccer League (PSL) in South Africa from the Western Cape. This means that selected outcomes of this study may be generalised for professional football clubs in the South Africa PSL.

#### 3.5.2. Case Study research design

Edwards and Skinner (2009: 201-203) define a case study as a choice of what is to be studied which aims to describe or explain a phenomenon or a research method. They identify four different applications of case studieswhich can be used to explain, describe, evaluate and explore. They argue that a case study is defined by theneed for a specific phenomenon as the focus of the investigation:such as a specific athlete or a specific organisation. Welman, Kruger and Mitchell (2005:193) identify the term 'case study' as referring to the fact that a limited number of units of analysis are studied intensively. The units of study can include individuals or institutions.

Andrew, Pedersen and McEvoy (2011:132) define a case study as an exploratory research technique used to investigate a situation in Sport Management. They identify a case study as involving an in-depth examination of a single case such as a group, situation, team and athlete.

In view of the above definitions, the selected organisation for this study Ajax Cape Town FC can be referred to as a case study.

### 3.6. Data Collection Strategies

There are five data collection methods identified by Gratton and Jones (2010: 140). The methods are:

- Questionnaires;
- Interviews;
- Observation;
- Participant observation and ;

• Content analysis.

When selecting a data collection method, however, the researcher has to be aware that some methods will provide quantitative data while others will provide qualitative data. For the purposes of this study, data collection methods that were used are content analysis, interviews and questionnaires.

### 3.6.1. Content Analysis

Gratton and Jones (2010:167) define content analysis as the use of systematic procedures to describe the content of a text. The text can be audio, visual or written. In content analysis, the researcher plays a significant role in data collection. The researcher determines the presence, meanings and relations of certain words and/or concepts in the text. Olsen (2012: 80) provides the following guidelines as stages that the researcher can follow:

- 1. Identify the text to be used depending on research objectives;
- 2. Identify the data set to be used;
- 3. Identify categories to sort data;
- 4. Place each relevant statement, or other data into the appropriate category;
- 5. Analyse the resultant data.

In this study, the sources that the researcher used were relevant online news articles about Ajax Cape Town FC, Ajax Cape Town FC's official website, performance records and reports obtained from Ajax Cape Town FC. The content analysed produced some quantitative data from PSL logs, goals scored in a tournament, team rankings and the number of Ajax Cape Town FC players who came through the development programme and who have been successful in their football careers, both nationally and internationally. Some qualitative data was obtained from CSR reports where the CSR programmes were described in detail, and where objectives and outcomes defined and outlined respectively. The number of players identified by Ajax Cape Town FC from local communities was compared and analysed against the number of players acquired from other teams.

#### 3.6.2. Interviews

Edwards and Skinner (2009: 106-107) identify interviews as one of the most effective data collection methods that can be used by a sport management researcher. There are three types of interviews and they are:

- Structured;
- semi-structured; and
- Unstructured interviews.

Structured interviews are defined as purposeful conversations where one person asks prepared questions and the other person responds to them. This type of interviewing is structured and inflexible. According to Edwards and Skinner (2009: 106-107), semi-structured interviews are normally based on the conjecture that respondents have had a particular experience they can elaborate upon. The interviewer in this situation guides and specifies topics of discussion; allowing the respondent to explain their experience in detail.

Unstructured interviews depend on social interaction between members and interviewer. There is an element of controlled communication though the structuring of questions is not utilized. Structured interviews will be used in this study.

Amis (2005: 104-108) identifies four types of interviews:

- Closed interviews;
- Standardized, open-ended interviews;
- General interviews; and
- Informal conversational interviews.

Amis (2005:104) defines closed interviews in the same way that Edwards and Skinner (2009: 106-107) define structured interviews. Amis (2005:104) goes on to explain that in this form of interview the interviewer remains in control; the interview, if repeated, follows the same protocol. This adds more credibility to the data collected. He argues that the questions most appropriate for this type of interview are questions that are precise and need minimum interpretation by the interviewer.

Amis (2005: 104) declares that a standardized, open-ended interview is similar to the closed interview in structure except that the nature of the response is left open to the interviewee, who identifies the general interview as having greater flexibility.Questions only focus on a theme. This type of interview allows the interviewer to change the sequence of the questions as well as the language used. He identifies an informal conversational interview as an unstructured interview. Amis (2005: 104) is in agreement with Edward and Skinner's (2009: 106-107) definition of unstructured interviews. He emphasizes that the intention of this type of interview is to access the perspective of the person being interviewed without preconceived themes which may hinder responses.

An interview schedule was designed to collect data from Ajax Cape Town FC officials and stakeholders (see Appendix A). The interviews were semi-structured and conducted at the Ajax Cape FC Town Offices by appointment. The data collected was qualitative in nature.

#### 3.6.2.1. Advantages and Disadvantages.

Welman, Kruger and Mitchell (2005: 162-163) identify advantages and disadvantages of interviews as:

Advantages	Disadvantages
Control – Interviewers are in complete control of the interview situation	Cost – The cost of travelling to the interviews; in some cases, interviewers might have to be trained and paid to conduct interviews
Ease of Application – Interviews are flexible and adaptable	Anonymity – It is difficult for anonymity to be maintained during interviews since the interviewer knows the source as well as contact details

Time – Interviews can be timeconsuming

Response Rate – Higher response rate than questionnaires.

**Table 4**: Advantages and disadvantages of interviews. Adapted from(Welman,Kruger and Mitchell, 2005: 162-163)

## 3.6.3. Questionnaires

Questionnaires are a type of survey that can be used for a number of respondents at the same time to gather information. Questionnaires are flexible and can be used to gather information on most topics (Lynch, 2010: 72). Questionnaires must be designed to collect necessary information. Some guidelinesfor using questionnaires that can be used are listed below:

- The questionnaire must be short and straight to the point;
- The instructions provided must be clear;
- The vocabulary used must complement the target group;
- Ambiguity and vagueness must be avoided in the questions asked;
- Leading or emotional questions must be avoided;
- The answering options should be distinct (e.g. yes or no);
- Different question types can be used such as open-ended or closed-ended questions (Van der Merwe, 2003: 41).

For this study, two questionnaires were designed, one to collect data from Ajax Cape Town FC officials involved in the Programmes being investigated and one to collect data from the participants in these programmes. The questionnaires were adapted with permission (see Appendix E) from a questionnaire developed by Dr. Matthew Tonts (2005) in his study titled; "Competitive Sport and Social Capital in Rural Australia"

A questionnaire was designed for participants in these programmes and was titled; 'Ajax Cape Town FC Participant Questionnaire' (see Appendix C). Twenty questionnaires were handed out to twenty representatives in twenty different schools targeted by the Ajax Cape Town FC programmes and nine questionnaires were returned.

Another questionnaire was distributed to Ajax Cape Town FC players (see Appendix D):Fifteen questionnaires out of fifty questionnaires given to players were completed and returned by the players. The questionnaires provided quantitative data while the last open-ended questions provided qualitative insights.

### 3.6.3.1. Advantages and Disadvantages

Smith (2010: 125) identifies advantages and disadvantages in using questionnaires as a data collection method:

Advantages	Disadvantages			
Allows respondents to answer questions at their own leisure	Time associated with delivery and completion of form might be inconvenient			
No researcher bias is involved	Level of understanding of the questions in the questionnaire by the participant might conclude in data that cannot be used			
Detailed instruction required	Response rate is not very high for questionnaires.			

**Table 5**: Advantages and disadvantages of using questionnaires. Adaptedfrom(Smith 2010: 125)

### 3.6.3.2. Triangulation

Gratton and Jones (2010: 119) define triangulation as the use of multiple data collection means to investigate the same phenomenon. Smith (2010:195)defines triangulation as the use of more than one research method to cross-check the validity of the findings. In this study, three data collection methods were used to investigate the same phenomena which are social capital and organisational performance.

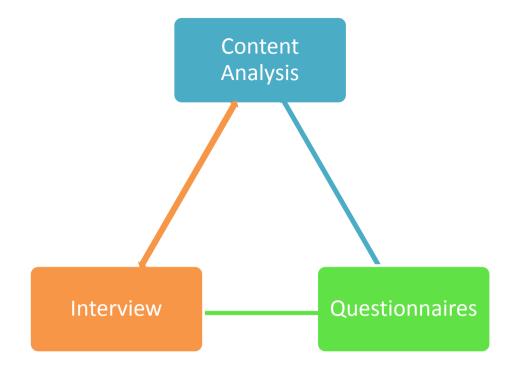


Figure 12: Triangulation (Gratton and Jones 2010: 119)

### 3.7. Data Analysis and Interpretation

When analysing data for mixed method research, both qualitative and quantitative data analysis techniques are administered. The relation between each analysis technique can be categorised as data transformation, multiple-level examination, outlier exploration, instrument development and data separation (Smith, 2010: 195).

#### 3.8. Qualitative Data Analysis

There is no single accepted method to analyse qualitative data. Lynch (2010: 121-22)suggests a series of stages that a researcher can follow when analysing qualitative data. The steps suggested are:

- Data reduction which is a process of reducing data obtained, discarding irrelevant data and summarizing relevant data;
- Data display which is drawing conclusions from a mass of data;
- Conclusion/verification this is when the analysis allows the researcher to draw conclusions. The conclusions arethen verified and their validity examined.

# 3.9. Quantitative Data Analysis

Statistics can be divided into two groups: descriptive and inferential statistics. These can be used in analysing quantitative data. Descriptive statistics involves using statistical methods that describe the data set. Inferential statistics, on the other hand, allow the determination of a relation or difference (Lynch, 2010:115-117). Before the process of data analysis begins, there are four steps identified by Gratton and Jones (2010: 196) that must be undertaken, these steps include:

- Coding dataortranslating responses into common categories;
- Data entry comprisesputting numbers produced in step one into a software package of choice;
- Data checking;
- Dealing with missing data.

#### 3.10. Validity

Atkinson (2012: 227) describes validity in two ways. He regards it as a point where the researcher asks what was originally meant to be measured is in fact being measured. Second, the author looks at validity which means scrutinizing the research design and considering whether the design is appropriate in the collection of the right data; ensuring that it did not create a bias that skewed the results. Venkatesh, Brown and Bala (2013: 32) defined validity as the measure of the accuracy of the findings in representing the truth. They propose that validity is important in both qualitative and quantitative studies and that it is reasonable to conclude that it is necessary in mixed methods studies as well. They have identified different forms of validity in quantitative research studies are outlined in Table 6 below:

Quantitative Methods			
Design Validity	Internal validity: Refers to the validity of the observed correlation between two variables.		
	External Validity: Refers to the question of whether the cause- effect relation has variations.		
Measurement Validity	Reliability: Refers to the consistency or repeatability of the results. There are three types of reliability as discussed by Atkinson (2012: 176-180), inter-observer reliability test-retest reliability parallel forms of reliability and internal consistency/reliability; Construct Validity: refers to whether the data obtained correlates with other measures in the study. Face, content, criterion-related, predictive, concurrent, convergent, discriminant and factorial validity are other types of construct validity.		
Inferential (deducible) Validity	Statistical conclusion validity: The validity of deductions about correlation of two variables.		
Qualitative Methods			
Design Validity	Descriptive Validity: Refers to how accurate reports made by the researcher are; Credibility: Refers to establishing the believability of the participants' perspective and to effectively rule out alternative explanations; Transferability: This is the degree to which the results of the research can be generalized or transferred to other contexts or settings.		
Analytical Validity	Theoretical validity: The measure of the extent to which the developed theoretical explanation fits the data and is therefore		

	defensible;		
	Dependability: Focuses on changes that occur in the setting,		
	affecting the approach to the study. The researcher must		
	describe these changes;		
	Plausibility: Refers to the determination of whether the findings		
	of the study fit the data from which they are derived.		
Inferential Validity	Interpretive validity: The degree to which the views, thoughts, feelings and experiences of participants are accurately interpreted; Confirmability: The degree to which results can be confirmed by others.		

**Table 6:** Examples of Validity in Quantitative and Qualitative Research (Venkatesh,Brown and Bala, 2013:33)

Validity in mixed methods research is the accuracy of inductively and deductively derived conclusions in a study. Various types of validities are used to validate mixed methods research results (Teddlie and Tashakkori, 2003: 692). Teddlie and Tashakkori (2003, 2009) suggest that validity in Mixed Methods research consists of:

- Design quality: This is whether the mixed methods study adheres to commonly accepted best practices;
- Interpretive rigor: This refers to standards for the evaluation of accuracy or authenticity of the conclusion.

Venkatesh, Brown and Bala (2013: 35) maintain thatmixed methods research increases the validity of a research project: more than one method is used to obtain and analyse data so that different aspects of the data are considered. Butthe value of one method of research is not disregarded and research done using one method can still be valid.

# 3.11. Ethical considerations

In this study, ethical considerations that the researcher ought to be aware of include;

- Permission to use Ajax Cape Town as the Case Study for this research project was obtained beforehand;
- The validity and reliability of the sources used in content analysis was established;
- Permission to look at Ajax Cape Town FC records was obtained beforehand;
- The questionnaires used in data collection were not handed to individuals under the age of 18;
- Permission was obtained prior to adapting questionnaires for use in data collection;
- The researcher must be strictly objective when analysing information;
- The information used in the study must be used with appropriate permission;
- Sensitive information is handled with the utmost confidentiality;
- The outcome of the research was designed and intended to benefit both the sport organisation and the community.
- Issues of potential harm were considered

# 3.12. Summary of Chapter

This chapter discussed research methods used in sport research to collect data. The mixed methods research was selected and explained as the most appropriate method for this study. Three data collection methods, namely; interviews, questionnaires and content analysiswere used to collect data and the data is described in Chapter 4.Thereafter interpretation and discussion of the data will be presented in Chapter 5.

# **CHAPTER 4**

#### FINDINGS

#### 4.1. Introduction

Once the process of collecting data is completed, data must then be collated and analysed in order to become useful information thatcan contribute towards the field of study. The data collection methods in this study consisted of interviews, content analysis and questionnaires. The data obtained was both qualitative and quantitative in nature. The analysis of this data employs more than one method of data analysis.

### 4.2. Questionnaires

# 4.2.1. Stakeholder Questionnaire

Some stakeholders could not be reached for interviews and so to gain as much information from them as possible, a questionnaire was sent out for them to complete if they were willing to participate in this research. Twenty questionnaires were sent out to stakeholders of whom nine were completed and returned. These stakeholders included community leaders and teachers as well as principals and heads of schools in the communities where Ajax Cape Town FC implemented their programmes.

### 4.2.1.1. Demographics

Question 1 required the respondents to indicate their ages, which ranged between 30 and 60 as shown in Figure 13. This age group was selected because they are the community leaders and in a position to understand and respond to the questions asked in the questionnaires.



Figure 13: The age range of the stakeholder respondents

The second question in this section was used to determine the gender of the respondents. Figure 14 shows that seven respondents were male and two were female.

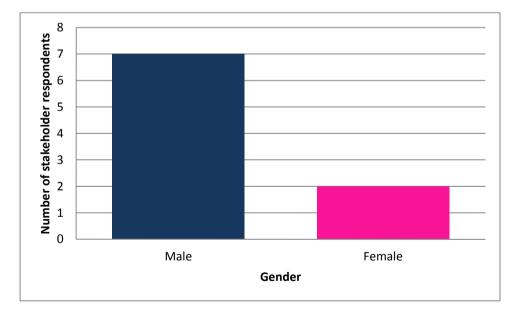


Figure 14: Number of male and female stakeholder respondents

Cape Town has a diverse racial demographic and question 3 was used to find out how the respondents identified themselves. From Figure 15, it is clear that most of the respondents identified themselves asColoured individuals: only a few selfidentified as African. Other demographicsgroups usually present in the Cape Townpopulation, namely White and Indian were not represented in this group of respondents.

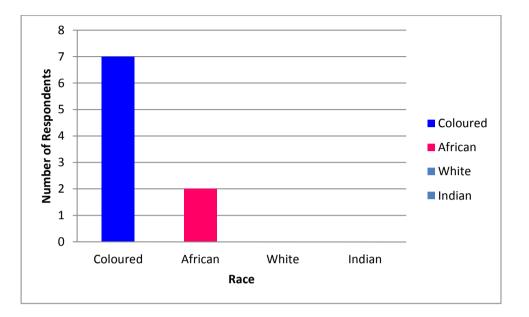


Figure 15: Racial demographics of stakeholder respondents

The highest level of qualification of the stakeholder respondents was determined in question 4. Figure 16 highlights the highest levels of qualification achieved by stakeholder respondents and the percentage of those who have achieved each of these qualifications.

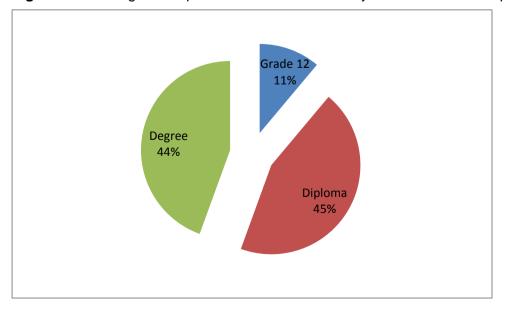
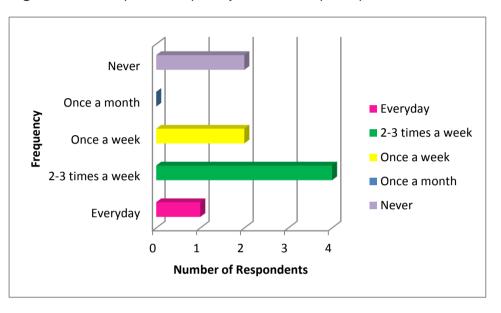


Figure 16: Highest qualification achieved by stakeholder respondents

Question 5 was used to determine the socio-economic status of the respondents. All of them responded that they were employed full time. The next question asked the respondents how often they participated in sport. As shown in Figure 17, a significant number of respondents said that they participated 2-3 times a week.





The next question was set up to determine how many of the stakeholder respondents haveaccess to sporting facilities. Figure 18 shows that the majoritysaid they did not have access to sporting facilities. This response highlights the fact that there is a need for facilities that would give more individuals in the community a greater opportunity to participate in sport.

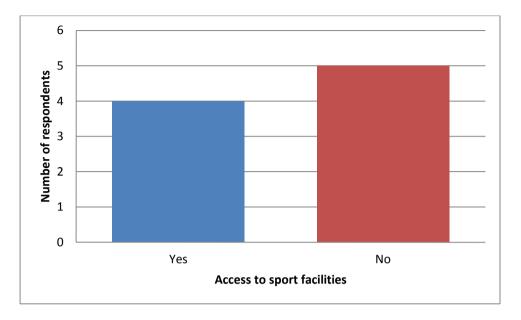


Figure 18: Access to sport facilities for stakeholder respondents

The stakeholder respondents were asked what sport they chose to participate in. They were given a selection of the most common sports in Cape Town and an option to write in any other sport that was not listed. Only one sport, cycling, was written in the other column as a sport of choice that did not appear in the list provided. Figure 19 below shows the ratio of the sports that the respondents chose to participate in. A large number of respondents said they participated in soccer and a few chose cricket and some netball. Few respondents participated in more than one sport and it appears none participated in rugby.

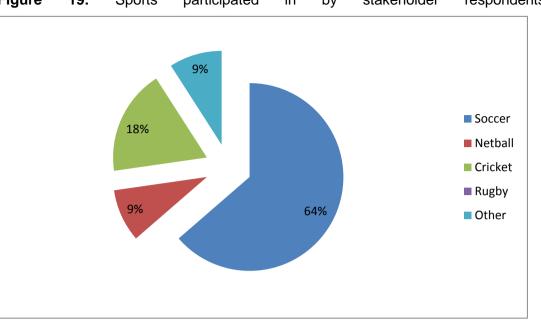


Figure 19: Sports participated in by stakeholder respondents

The last question in this section asked respondents if they were aware of Ajax Cape Town FC. All the respondents said they were aware of the club.

#### 4.2.1.2. Ajax Cape Town FC Programmes

The next three questions in the questionnaire revolved around Ajax Cape Town FC programmes.Stakeholders were asked if they were aware of the Ajax Cape Town FC CSR Programmesifthey participated in them, and whether these programmes affected the community positively or negatively. All respondents said they were aware of Ajax Cape Town FC Programmes in the community and all of them said they had a positive effect on the community. 78% of the respondents indicated that they participate in the programmes and 22% of them claimed they did not participate in the programmes. This is illustrated in Figure 20

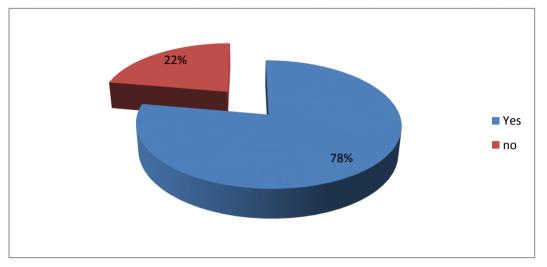


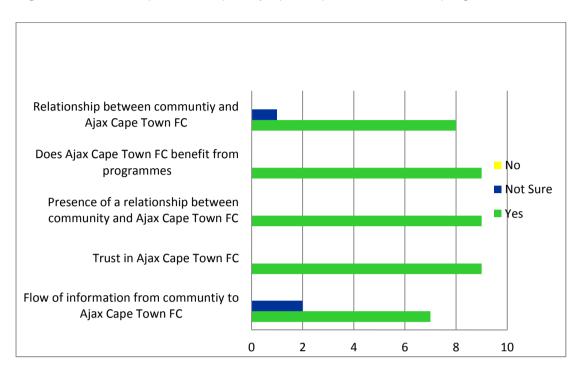
Figure 20: Stakeholders' participation in Ajax Cape Town FC programmes

Question 13 required stakeholders to indicate what issues/problems they felt were addressed by the Ajax Cape Town FC programmes in their communities. Their response was to be written in full on the questionnaire and the following Table 7 shows the responses received.

Question	Responses
What issues/problems do these	HIV/Aids awareness;
CSR programmes address?	Respect;
	Active life style discipline;
	Drive awareness;
	Drugs;
	Smoking;
	Guns;
	Healthy living;
	Activeness teamwork;
	Discipline
	Gangsterism;
	Social behaviour;
	Abuse;
	Violence;
	Alcohol;
	Direct learners to sport;
	Team work
	Socialising with peers

 Table 7: Problems and issues addressed by Ajax Cape Town FC's CSR programmes.

The responses to questions 14-16 are represented in Figure 21 and show that there is social capital being created by the programmes offered by Ajax Cape Town FC in the communities. The questions were structured to identify qualities or indicators regarding the presence of social capital and the mostly positive responses show that social capital is indeed being created through these programmes.



#### Figure 21: Social capital developed by Ajax Cape Town FC CSR programmes

The stakeholders were asked to describe the type of relation Ajax Cape Town FC had with the community. They had the option of selecting positive, meaningful, negative or meaningless. The responses all identified that the relation was both positive and meaningful.

Question 23 in the questionnaire was one that required stakeholders to either agree or disagree with a statement. They could also choose to have no opinion on the statements provided. This question confirmed that social capital was being created through these programmes as shown by the responses to question 14-17. The statements provided are in Table 8 below and the percentages of each of the responses (Agree, Disagree and No Opinion) given for each proposed statement are shown. All respondents said that they agree with all the statements whichaccords with their responses to questions 14-17 and confirms the presence of social capital by identifying its characteristics.

Statement Proposed	Agree	Disagree	No
			Opinion
The CSR programmes provide a way of	100%	0	0
communication between the community			
and Ajax Cape Town FC			
The CSR Programmes are important in	100%	0	0
dealing with difficulties faced by the			
community			
Through the CSR programmes, the	100%	0	0
community gives back to Ajax Cape			
Town FC			
There is a mutually beneficial relation built	100%	0	0
between Ajax Cape Town FC and the			
community through these programmes			

Table 8: Social capital created through these programmes

# 4.2.1.3. Benefits of the Ajax Cape Town FC Programmes for the Community

The stakeholders were asked to identify the benefits of the CSR Programmes to them as individuals and to the community; the following responses were identified by most of them:

What do you think are the three benefits of these CSR Programmes for you?	What do you think are the three benefits of these CSR programmes for the community?
1. Recognition for the school	1. The Children are afforded the opportunity to
2. Building relations with learners will	Participate
ultimately benefit Ajax Cape Town FC	2. The children are supervised and kept off the
3. Opportunity to expose my learners and	streets
experience integration with other	3. If talent is identified, it could result in a sporting
communities	career
1. Relation building with reputable sports	1. Children participating in sport and not
brand/club	unsociable behaviour
2. Hope to the learners	2. Opportunity for kids to be identified if talented.
3. Discipline for the kids	3. Creates discipline and respect
· · · · · · · · · · · · · · · · · · ·	1. Keep our kids focused on the positives of life
1. Building relation with learners and	2. Help learners with creating positive lifestyles
community	and redirecting negative behaviour to positive
2. Gaining support	3. Keep our children focused on sport instead of
3. Gaining trust	gangs and drugs.
1. Seeing my kids provided with	
opportunities	
2. Seeing my kids happy	1. Kids being given direction
3. Showing the kids that people care for	2. Community cohesion - coming together
them	3. Trust
1. Gives me respect from kids for giving	
them this opportunity	1. Creates hope
2. Improved behaviour from kids	2. Creates positive role models
3. Improved attendance at school	3. Provides the youth with positive direction
1. Development of youth	
2. Identification of talent	
1. Motivating the learners	
2. Provides them hope	1. Youth engaging in positive lessons
3. Gets them participating in sports and	2. Youth off the street
healthy living	3. Youth participating in sport
1. Youth are given positive messages	
2. Provides the youth with hopes and	1. Uplifts the community
dreams	2. Creates unity among the people of the
3. Makes the youth feel like they mean	community
something	3. Keeps the community vibrant
1. Diverts learners from negative attitudes	
into sport	
2. Creates an environment where they can	1. Creates vehicle for the children to enhance their
play games	skills and talent
piay Ballies	אוווס מווע נמוכוונ

Table 9: Benefits for the community from the Ajax Cape Town FC CSR programmes

The stakeholders were asked to indicate the effect of the Ajax Cape Town FC CSR projects as well as their importance. This analysis was done by using aLikert scale of 1-3 to rank which of the effects were the most important, with 3 being the least important and 1 the most important. The results are shown in Table 10. The most

important effect according to the responses on the Table is provision of opportunity to play sport.55.56% of the respondents said it was the most important effect. The other effects that are identified as important is increased loyalty to the club, it wasidentified as most important by 44.44% of the respondents.

Effects of CSR	1(most important)	2	3(Least
Programmes			important)
Increased trust and			
recognition of the			
club	33.33	44.44	22.22
Increased influence			
of club in the			
community	33.33	44.44	22.22
Gain information			
from the club	33.33	11.11	55.56
Development of			
beneficial			
connections	33.33	33.33	33.33
Identification of			
talented young			
soccer players in			
the community	33.33	44.44	22.22
Provision of			
opportunity to play	55.56	22.22	22.22
sport		22.22	22.22
Mutually beneficial			
relations between			
the community, its leaders and the			
	33.33	55.56	11.11
club	55.55	33.30	
Increased loyalty to the club	44.44	33.33	22.22
	44.44	55.55	22.22

**Table 10:** Effects of Ajax Cape Town FC CSR programmes

#### 4.2.2. Ajax Cape Town FC Players Questionnaires

Two questionnaires were used to collect data. The first was designed to collect data from Ajax Cape Town FC stakeholders. The second was used to collect data from Ajax Cape Town FC players. Fifteen players completed the questionnaire.

#### 4.2.2.1. Demographics

The first question required respondents to indicate their age; the range of their ages is shown in Figure 22. The figure shows that players are of the same age group. To further establish a strong demographic profile of respondents, they were asked which team they played for: professional, under 19, under 17, under 15 or other. All the respondents indicated that they were professional soccer players in the first team. All of them indicated that they were male.

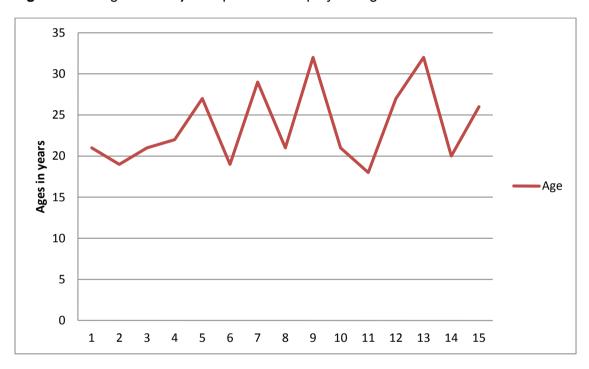


Figure 22: Range of the Ajax Cape Town FC players' ages

The players were asked if Ajax Cape Town delivered CSR programmes to the community and all the respondents said 'yes'. They were then asked whether they participated in the programmes, and if they did how often they participated in the programmes. They had a range of responses they could select from; they either participated frequently, once a month, as often as possible, rarely or never. The responses were almost evenly distributed across the range of options. Figure 23 represents responses provided by the players.

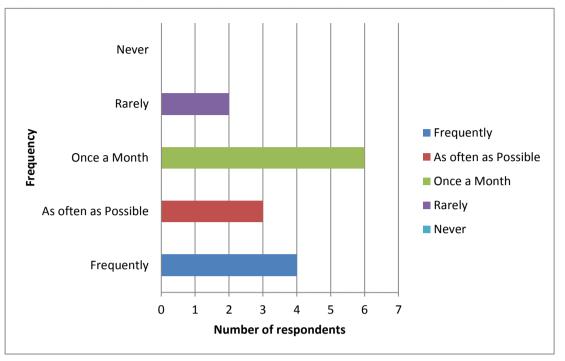


Figure 23: Frequency of Participation in Ajax Cape Town FC CSR Programmes

The next question required the players to indicate what kind of programme they participated in. The following types of programmes were identified by most of the players as the CSR programmes they participated in:

- Signing sessions;
- Motivational talks;
- Coaching clinics;
- Training sessions at schools;
- Donating clothes to the community and;
- Visiting old age homes.

The next question required them to indicate what role they played in these programmes and the following roles were identified:

- Coaching;
- Playing with kids;
- Giving motivational talks;
- Help with training sessions at the schools;
- Collecting clothes and hand them out in the community and;
- Signing autographs for Ajax Cape Town FC supporters.

# 4.2.2.2. Ajax Cape Town CSR Programmes

The players were then asked if they were aware of the CSR goals, and if they were, a few objectives were proposed. The players were asked to rank the three most important objectives using a Likert scale of 1-3 with 3 being the most important objective identified. Table 11 shows the outcome in percentages. The players identified Reducing Crime as the most important objective of the CSR programmes with 84.62% of the players identifying it as the most important objective.

Effects of CSR Programmes	1(Least important)	2	3(Most important)
Raising educational achievements	61.54%	15.38%	0%
Creating Pathways to employment	7.69%	7.69%	0%
Building healthier lifestyles	23.08%	30.77%	7.69%
Bringing communities together	7.69%	46.15%	7.69%
Reducing Crime	0%	0%	84.62%

Table 11: Most important objectives of the Ajax Cape Town FC CSR programmes

Question 9 asked the players to identify specific goals that the CSR programmes have, the goals that they identified are:

- To educate kids;
- Stop them from committing crime;
- Promote healthy living;
- Help them make good choices;
- Bring communities together so that they can support the club;
- To help the less fortunate children in the community and to let them feel how it is to work with professional players;
- To help the children develop in sport and to motivate them to get involved in sport;
- To educate children and keep them off the streets;
- To help them grow as people in the community and
- To identify young talent.

Question 10 asked how often these goals and objectives are achieved. The outcome shows that the majority of respondents believed the objectives of the CSR programmed were mostly achieved. Figure 24 shows their responses; they were given responses to select from: always, often but not always, rarely or never.

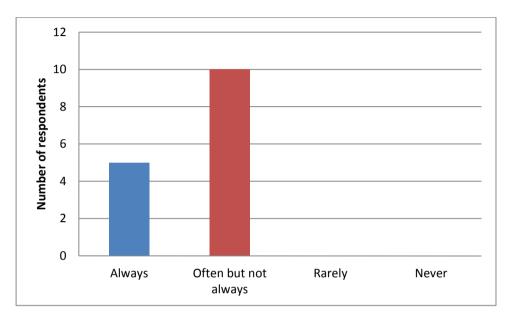


Figure 24: Achievement of CSR objectives

The players were asked what issues the CSR programmes addressed and the following were identified as the most important issuesbecause they were recognisedby most of the respondents:

- Drugs
- Crime
- HIV
- Gangsterism
- Smoking

#### 4.2.2.3. Social Capital

Questions 13-16 were designed to assess the creation of social capital through these programmes. Looking at responses from players as shown in Figure 25 and the responses from the stakeholders in Figure 21, it is apparent that through their CSR programmes, Ajax Cape Town FC is creating social capital.

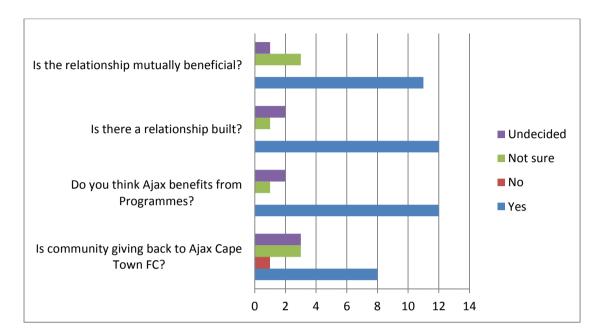


Figure 25: The creation of social capital through Ajax Cape Town FC CSR programmes

A selection of statements was given to the respondents and they could agree, disagree or have no opinion on them. These statements re-enforced the premise that the programmes built social capital. The responses are summarised in table 12.

	Agree	Disagree	No opinion
These CSP programmes provide a way of			
These CSR programmes provide a way of keeping in touch with the community	100%	0%	0%
These CSR programmes are important to assist in dealing with difficulties faced by the community	80%	0%	20%
Through these CSR programmes, the community also gives back to the club	93.33%	0%	6.67%
Through these CSR programmes, a mutually beneficial relation has been built between the			
club and the community	100%	0%	0%

Table 12: Creation of social capital

# 4.2.2.4. Benefits of the CSR Programmes for Ajax Cape Town FC

Question 17 required respondents to identify what they thought were the most important benefits of the CSR programmes for Ajax Cape Town FC. The responses are summarised in Table 13.

What do you think are the most important benefits of these CSR Programmes for Ajax Cape Town FC?	
	1. Support from the community
	2. Brand Awareness
	3. Brand loyalty
	4.It betters the relationship between the
	club and the community
	5. Community recognition
	6. Scout for potential talent
	7. Keeps the club in touch with the
	community
	8. Builds the brand of the club

 Table 13: Benefits of CSR programmes for Ajax Cape Town FC

A list of possible benefits for Ajax Cape Town FC were proposed to the respondents and they were asked to use a Likert scale of 1-3 (where 1 was the most important) to identify the three most important benefits for Ajax Cape Town FC. Table 14 shows the outcome of the responses given by the players for this question. Increased loyalty and support from the community appears to be the most important and most visible benefit that Ajax Cape Town FC is gaining from the CSR programmes they run in the community.

Effects of CSR programmes on Ajax Cape Town FC	1(most important)	2	3(least important)
Gain information from the community	20.00	46.67	33.33
Increased influence in the community	33.33	26.67	40.00
Increased loyalty and support from the community	66.67	13.33	20.00
Increased identity and recognition in the community	33.33	33.33	33.33
Employee satisfaction from participation in programmes	20.00	46.67	33.33
Increased level of trust by community	26.67	40.00	33.33
Community satisfaction	26.67	33.33	40.00
Stakeholder satisfaction	13.33	40.00	46.67

**Table 14:** Most important benefits of CSR programmes for Ajax Cape Town FC

### 4.3. Coding

Before the process of data analysis begins, there are four steps identified by Gratton and Jones (2010: 196) that must be undertaken. The steps are:

- Coding data which meanstranslating responses into common categories;
- Data entry which involves placing numbers produced in step one into a software package of choice;
- Data checking;
- Dealing with missing data.

Coding is an important part of data analysis and is important in both qualitative and quantitative data analysis.

# 4.3.1. Coding of Interviews

A total of eight interviews were conducted with Ajax Cape Town FC officials and stake holders. Interviews were recorded with permission from the respondents. The recordings were then transcribed, saved as word documents and used to code the data. There are several programmes used to code qualitative data. However, in this

instance a coding programme known as Atlas TI was used to code the findings of the interviews. Codes were used to identify common themes in the data collected as shown in Table 15.

Group	Code
Objectives	Objectives of Ajax Cape Town FC Stakeholders' objectives Achievement of objectives
Ajax Cape Town FC Organisational Performance	Awareness of Ajax Cape Town FC Organisational Community benefits Performance Ajax Cape Town FC benefits
Corporate Social Responsibility	Corporate Social Responsibility Objectives of CSR programmes Programme description Measuring success of programmes
Social Capital	Creation of Social Capital Benefits of Mutually beneficial relations Building mutually beneficial relations Effect of Social Capital on performance

 Table 15: Coding of interviews

# 4.4. Outcome of Interviews

# 4.4.1. Aims and Objectives of Ajax Cape Town FC

There were a number of aims and objectives of Ajax Cape Town FC identified from the interviews:

- To win the PSL with players groomed in the Ajax Cape Town FC development structure;
- To train players for Ajax Amsterdam FC;

- Youth development;
- To develop professional football;
- To be the most successful club in Africa;
- To be the leading brand in Africa;
- To make a profit;
- To develop Cape Town talent.

The major common theme identified in the coding exercise was the issue of 'development'. According to Ajax Cape Town FC executives:

"The main aim of Ajax Cape Town is youth development. The fundamental aim and objective is youth development."

Stakeholders, however, identified Ajax Cape Town FC objectives to be more business focused. One of the stakeholders suggested that:

"The aim of Ajax is to make a profit because it is a business."

A few other respondents identified a balance between the development theme and the business aspect in identifying Ajax Cape Town FC objectives. One of the officials indicated this in the following response:

"The biggest aim, the ultimate aim is to win the PSL with players that are developed within our own structures and there are other few things that develop from that, we want to develop players for Ajax Amsterdam who is a 51% owner of Ajax Cape Town and so we would like to see players grow to play for that team. Another aim within that is that we want to develop young people to be ambitious, young striving people who can make their own choices and develop into future leaders for their community, city, country or whatever."

Overall, it is clear that the issue of, development was the primary and recurring theme in responses regarding Ajax Cape Town FC objectives. There were different aspects of development identified:

- The internal development of Ajax Cape Town FC;
- The contribution Ajax Cape Town FC makes to the development of the community;
- The contribution to the development of professional football in South Africa and young talent of Cape Town.

In addition the other important drivers included Ajax Cape Town FC attempting to win the PSL and the identification of Ajax Cape Town FC as a business with making profit as one of their primary objectives.

#### 4.4.2. Ajax Cape Town FC's Engagement in CSR Programmes

The interview responses clearly demonstrate that Ajax Cape Town FC does engage in CSR programmes. One of the officials proposed that the hundred players in their development programme represented Ajax Cape Town FC's CSR. He pointed out that there is a strong relation between the organisation and the youth whom,he hopes, will become representatives of clubs in their communities.

An executive at Ajax Cape Town FC brought further enlightenment to the subject by explaining that there are two components to the CSR. The community scheme component consists of three staff members whose job description is Community Scheme work. The other component he identified is run by the Public Relations Office and is concerned with requests for players to, for example, visit ill children or orphanages, to hand over donated soccer balls, T-shirts, food etc. He emphasizes that:

"The two parts that we have in the CSR component includes; the community scheme that runs full time for 365 days a year and the one done on request, player appearances and signing sessions."

One of Ajax Cape Town FC's executives argues that the community scheme programmes are not a 'one-size-fit-all'. He proposes that because of the diverse demographics of Cape Town, the programmes will be different for the various communities Ajax Cape Town FC interacts with. He suggests that the values Ajax Cape Town FC upholds are appealing to all communities and as such, he says;

"We try and set up a programme that fits certain communities like for example when you donate; you donate to a certain community. When you go promote, to activate you do it in a certain area with a certain target and if you want to go do a football programme, you go to a certain target area, if you do interaction with the team again you do it in a certain area because the area will determine the type of responses you will get. All of the responses you get in different areas, you record so you know which area responds in what way to a programme. "

The responses of the stakeholders substantiate the decision of Ajax Cape Town FC to hold CSR programmes in their communities. Some of the responses to the question of whether Ajax Cape Town should hold CSR programmes in the community were as follows:

"Most definitely yes, Ajax Cape Town does give back to the community. I mean, I speak from experience; they do give back to the community. For the past few years Ajax Cape Town has run a life orientation programme for our kids for about twice a week over a period of 6 months for about 3-4 years now."

"Our school was the first to be involved in the Kick and Learn Programme by Ajax Cape Town. The coordinator would take a class where they did life skills and some of the topics discussed in the class were relevant for the children in this community like drugs and some of the topics were in the curriculum. They covered topics like HIV- AIDS and abuse because there are many children who may be abused and not know that they are being abused. The other sessions they would have with the children, would be outside in a mini-game with the learners."

"Yes, Life skills and outdoors sporting programmes."

# 4.4.3. Aims and Objectives of Corporate Social Responsibility (CSR) Programmes

The aims and objectives of Corporate Social Responsibility were identified from two perspectives. The first aspect was forwarded by Ajax Cape Town FC officials and the other aspectis one taken from the perceptions of the stakeholders. The Ajax Cape Town FC officials identified the following aims and objectives of the CSR activities:

- To give back to the community;
- Youth Development;
- To get the Ajax Brand out there;
- Giving talented youngsters opportunities;
- To nurture Ajax youngsters;
- To build a positive brand image for the Ajax Cape Town Brand;
- Identifying potential talent.

An Ajax Cape Town FC official emphasizes that the main objectives of the programmes are to give back to the community:

"The main objectives of the community scheme are to give back to the community and to provide opportunity, for the most part, we go into disadvantaged communities."

This is echoed by another official who responds by saying:

"The nature of Ajax Cape Town, the heart of our football club is in the community. The communities give us access to the Ajax players and so we go back to the communities and do different activities with the very same players that come from there. The aim is to go back and give back to where the players come from, whether they make it or not while they are still juniors because the difference is, they get fetched every week and play games and everyone in the community admire that. To keep the ball rolling, to keep the mentality that these are the people that are in your community, this is the community's football team, we have to go back to the community and give back through these programmes with these same young people."

The stakeholders identified the following as the possible objectives of Ajax Cape Town FC's CSR objectives:

- To search for young talent;
- To be good citizens;
- To gather support for the team;
- To assist the community in addressing issues that the children are facing such as drugs and gangsterism;
- To give back to the community.

It is interesting to note that giving back to the community was a recurrent theme in respondents' responses to this section. Both Ajax Cape Town FC officials and stakeholders suggest that one of the objectives is to identify talent in children in the targeted areas. One of the stakeholders proposes an interesting objective which gives an insight into the communities themselves.

"The second objective I would say is they have seen that there is a need in the community and they have chosen our school and other schools and their objectives would be to keep these kids away from drugs, gangsterism. Because once these children get involved in those things they end up shortening their lives."

This stakeholder suggests that over and beyond the other objectives identified, Ajax Cape Town FC has identified a need in the community and has acted upon that need and moved into the community to address these identified needs.

#### 4.4.4. Mutually Beneficial Relations built from programmes

The question of whether the programmes lead to the development of mutually beneficial relations between Ajax Cape Town FC and the community yielded a resoundingly positive response. One of the stakeholders said:

"Most definitely, I can just imagine their exposure to the community through the programmes will broaden their link with the community and there must be a benefit on Ajax's side if more people go to their games so there is a mutually beneficial relationship."

Another stakeholder said:

"Obviously Ajax is getting these youngsters to participate in their development programmes, the community is benefitting due to the simple fact that these youngsters are being recognized and their skills are being honed. They can only grow from strength to strength."

One of the Ajax Cape Town FC officials reinforced the above two responses when he said:

"We wouldn't have the players we have if we didn't build the communications and relationships with the community. It's an open door exercise that gives a little bit of leverage in terms of being recognized by the community."

#### 4.4.5. Benefits of Mutually Beneficial Relations

Responses confirmed that CSR programmes directed by Ajax Cape Town FC forged beneficial relations between the organisation and the community. Many of the benefits were identified by both the club officials and the stakeholders in the community.

#### **Community Benefits**

- Imparting skills to children;
- Providing positive role models for children in the community;
- They give children the opportunity to play and be children;
- Local talent is identified and opportunities for development are provided;
- Give children in the community a different focus besides drugs and gangs.

#### Ajax Cape Town FC Benefits

- Opportunity to identify potential players for the team;
- Increase number of loyal supporters;
- Facilitate access to sponsorship because of connections;
- Increased awareness of the club;
- To build a positive brand image.

However, there was one dissident response that did not support the general consensus regarding the benefits for Ajax Cape Town FC:

"No because the biggest challenge is that we wish those players understand why they do CSR programmes, they are not professional enough to understand that they are local celebrities. They need to understand why they do these programmes; they are more focused on what time they will be finishing and how mush overtime they are working, so they need to change their mentality and begin to understand why they do these programmes in the first place. So no I don't think it has an impact on the club at all."

#### 4.4.6. Is Social Capital being created through these programmes?

Social Capital was not a concept that the respondents were familiar with. However, once it was explained and they confirmed that they understood the explanation given, the responses they gave showed that the Ajax Cape Town FC programmes did indeed create social capital. One of the respondents from the stakeholders identified the following reasons how social capital was created:

"Yes, they are creating social capital because, they are investing in the youth, the poorer communities and they are getting exposure in return, they are creating opportunities for the kids to experience these things, they have a symbiotic relationship with the community. Kids from the school have had the opportunity to be player escorts and they provide role models for the children."

Another stakeholder was enthusiastic in his response when he said:

"Absolutely 100%, partnerships, networking, they are building Social Capital. There are benefits so they are building these partnerships and hence Social Capital."

Another response from the stakeholders that supported this was:

"Absolutely because both parties benefit, they benefit by getting exposure, they benefit by

maybe in a few years someone in the community will play for their team. What the community is getting is, we are getting a service from them because they come to our community, they come to our schools and teach our kids, ball skills, life skills and when it comes from someone from outside it works better because they hear our voices every day and our children learn through play so there is definitely Social Capital."

# 4.4.7. Does this Social Capital impact on the performance of the Organisation?

The organisational performance of Ajax Cape Town is based on the organisation's objectives. When looking at the performance or output of the organisation, one of the officials proposed that there are two sides to the business that must be taken into consideration:

"There are two sides to the business, the development side and the commercial side; we have to balance the books in between. Not all of the players will be playing for Ajax first team. Some will be those who are made available to balance the books, because you will either have too much or enough, to balance that some players will make way for others and some will remain in the team and some are special enough to go play overseas or for bigger teams."

Because of the social capital developed by Ajax Cape Town FC, the club has access to talented players that they are then able to develop specifically to play for Ajax Cape Town.

"From the tactical point of view, our biggest advantage is we are a club with an identity, we play football the Ajax way, which is a Dutch philosophy, now, when you have a system of playing, you are able to identify players according to areas on the field that they need to specialize in. "

They have developed loyal supporters who support the team even when they do not perform well. This is seen in the following response:

"Besides building friendships with the community, children and school, basically what Ajax Cape Town is gaining is the trust from the school and community into the club because we know that people love winners; that are obvious I mean if a team wins everybody loves that team but one must be able to love a team even if they lose but the people love Ajax even if they lose. They become loyal supporters."

On a financial front, it was noted that loyal supporters purchase merchandise and tickets to the Ajax games. The relations with the community expose Ajax Cape

Town FC to sponsors and the connections they gain from the community provides a more enabling environment to attract sponsorships.

"The better we do in the community, the more supporters we have, the more people will buy our tickets, the more people will buy our t-shirt to support us, the more people will watch us on television, the more our ratings go up and we can compete with the bigger teams. Its long term for sure, I think it's already in effect. I don't know how it's measured, if it's measured, the more support you have, the better the income."

There is an indication from officials that employees are influenced by social capital which would affect their attitudes towards work and the organisation's performance.

"It is very important especially for the youth academy, that players are proud to play for us, if you walk around in town and people recognize you and you are a hero in your own community, it works well for us."

"I don't know if people would feel happier working for an employer that is more positively accepted by the people. The brand that stands for what the employee wants to stand for."

One of the officials, in his response, suggested that social capital was important to the success of the organisation:

"When you are building a brand, the brand becomes successful when people are talking about you and want to be a part of it. All of these (PR, CSI, Marketing, Promotions) you do to open doors and have lasting relationships with the communities. When you do the CSI programmes, you have easy access to the community, people who can help you with just a phone call and you have a relationship with the communities that help you to get what you want in the communities with minimum complications. There is an understanding of the people in the communities are basically the foundation of what we want to achieve. Every action you take should be relevant."

#### 4.5. Content Analysis

Ajax Cape Town FC made their player records available for analysis as well as the club's on-field performance records. These records can be found on the internet on the PSL website as well as on the Ajax Cape Town FC website. Other sources of

content used were news articles about Ajax Cape Town FC as well as their online news updates.

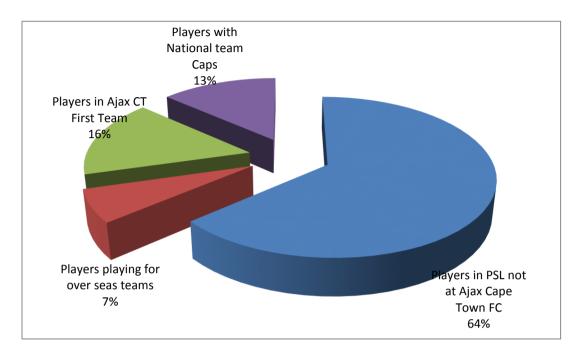
#### 4.5.1. Ajax Cape Town FC Development

Ajax Cape Town FC has a development programme that recruits young talent and seeks to develop them into professional players. Figure 26 shows that there was asignificant number of players who have benefited from the Ajax Cape Town FC development programme. These players are now distributed and playing in various professional leagues around the world. Figure 26 further illustrates that a large percentage of these players are traded to other teams in the Premier Soccer League, while a small percentage stay on at Ajax Cape Town FC to play for the first team and an even smaller percentage are traded to elite professional overseas football clubs. Examples of such players are Thulani Serero was traded to Ajax Amsterdam (AFC Ajax) in 2011, Darren Keet was traded to KV Kortrijk in 2011 and Daylon Claasen was traded to TSV 1860 Munchen early in 2014.

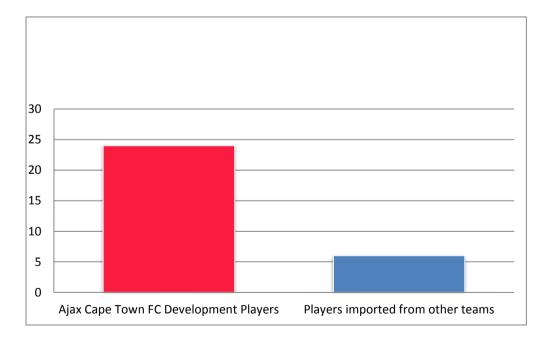
Figure 27highlights Ajax Cape Town FC's first team is mainly made up of their own development players. It is important to note at this point that development players are those who were identified by Ajax Cape Town FC as having potential and thereafter invited to participate in the development programme, where they were trained to play professional football. The individuals identified as players from other professional football teams in the PSL are those who do not come from the development programme and were traded into the team from other teams or countries.

Ajax Cape Town FC has been applauded in the news article by Dicks (2014) as a leaderon the football scene in Cape Town with the most successful development programme when it comes to identifying young talent. Players such asNazeer Allie, Granwaldt Scott and Thulani Hlatshwayo who have been outstanding in the team came through the development programme. Their policy of "No youth no future" has paid off handsomely with players such asDaylon Claassen, Bryce Moon, Steven Pienaar and Stanton Lewis all of whom have successful European careers; they have all been through the programme (Dicks, 2014).

**Figure 26:**Players who graduated from the development programme (adapted from Ajax Cape Town FC player records)



**Figure 27:**Proportion of Ajax Cape Town FC development players versus imported players presently at the club (Adapted from Ajax Cape Town FC Player Records)



90

#### 4.5.2. Tournaments

Ajax Cape Town FC made its first appearance in the PSL during the 1999-2000 seasonwhen they came fourthoutof the sixteen teams in the league at the end of the season. In spite of this great performance in their first league appearance, Ajax Cape Town FC has never won the Premier soccer League. They have, however, been highly successful in other cup leagues. They won the Rothman's Cup in 2000, the Nedbank cup in 2007 and the Telkom knockout in 2008 (Premier Soccer League, n.d.).

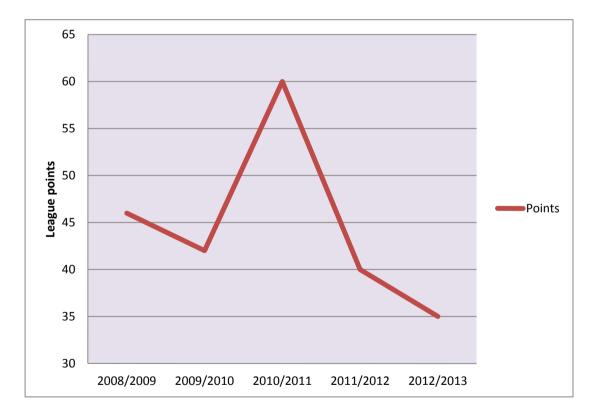
Their junior teams compete in a number of tournaments including the Strandfontein tournaments for U.13 years, the Kensington and the Nike Tournaments for U.15 years, the Engen and the Coca-Cola Cup for U.17 years. They also participated in the Bayhill tournament, the Copa Amsterdam Tournament in Holland and the Terborg TNT tournament in Holland.

The U.19 team placedfourth in both the Copa Amsterdam Tournament in 2014 after winningthe tournament in 2013. The Copa Amsterdam Tournament is a tournament hosted by AFC Ajax and has eightU.19 teams participating. These teams are from all over the world and include teams such as the Borussia Monchengladbach and Tottenham Hotspur. These are the same players who are likely to be in the senior team in a few years and so have a lot to prove in these tournaments. In support of this, Table 16 shows the performance of Ajax Cape Town FC in the ABSA PSL for the past five years. Figure 28 shows the variability of league standing over time the period of 2008-2013.

Season	League Standing	Points
2008/2009	7	46
2009/2010	7	42
2010/2011	2	60
2011/2012	9	40
2012/2013	12	35

Table 16: Ajax Cape Town FC ABSA PSL League standing for last five seasons

**Figure 28:** Fluctuations in Ajax Cape Town FC's performance in the ABSA PSL for the last five seasons.



#### 4.5.3. Community Scheme Programmes

The Ajax Cape Town FC CSR initiatives are known as the Ajax Cape Town Community Scheme. According to thelatest report, their aim is "to take soccer back to the community". Ajax Cape Town FChave seven programmes running under this portfolio:

Community Scheme Programme	Description
The Ajax Cape Town Kick n' Learn Soccer Samba	This programme takes placeat 140 schools, which extend from Nyanga, Crossroads, Athlone, Bonteheuwel, Mannenberg, Grassy Park, Philippi, Mitchell's Plain and Khayelitsha (Western Cape). Over 3 000 children are reached with this programme and soccer coaching clinics are operated along with life skills workshops.
The Street Sweep	This initiative is based at the Ikamva (Ajax Cape Town FC head office) and is used to help re-integrate street children into their families. They are partnered in this initiative by the South African Police, Aegon and MTN.
Ajax Awareness	Used to recruit schools into the kick and learn programme;currentlythe target area has expanded to Model C schools. Success is seen in the number of the learners in this programme who attend home games as part of the "Ajax Army."
Holiday Soccer Coaching Clinics	This programme takes place every holiday and is run at Ikamva. Over 500 children attend these programmes and they are run for two days during the holiday. The target age groups are 6-15.Both boys and girls can attend the programmes.
Project 5000	This initiative provideschildren from the schools involved in the community scheme an opportunity to attend Ajax Cape Town FC home games. However since the move to Cape Town Stadium, the programme has stopped running due to financial constraints.
Initiative to reduce crime	This programme is run in partnership with theBritish High Commission, Metropolitan police, South African Police, Charlton Athletic

	and British Airways.
	They aim to build community safety strategies
	and use sport to build community cohesion.
Other Initiatives	Ajax Cape Town FC players visit prisons,
	shopping malls, hospitalsand various shelters.

Table 17: Ajax Cape Town FC Community Scheme(Ajax Cape Town FC; 2013).

# 4.5.4. Summary of Chapter

The data collected have been assembled and analysed in chapter 4. The data is discussed in three sections: data from the interviews, from the questionnaires and from the content analysis. The data collected is both qualitative and quantitative data. The data was collected to answer the research questions and to explain the data in the context of the study. The important points were identified from the data and will be discussed in detail in chapter 5.

#### **CHAPTER 5**

#### DISCUSSION

#### 5.1. Introduction

Afterthe datawas analysed, important themes wereidentified and discussed in detail to answer the research questions. This chapter focuses on the main observations with reference to the literature review in chapter 2.

#### 5.2. Creating Social Capital

Karimbedou and Pastadaras (2007: 21), Tonts (2005: 137-149), Kobayashi, Nicholson and Hoye (2011: 51), Ottessen, Jeppesen and Krustrup (2010: 118-131) and Seippel (2006: 169-183) demonstrate that professional sport organisations create social capital. These authorsgenerally agree that such organisations successfully create social capital through different activities.

Tonts (2005), in his study, showed that sport helps to develop both bonding and bridging social capital, while, Ottessen, Jeppesen and Krustrup (2010: 118-131) discovered that there is a positive development of social capital through physical activity. Schultz (2007:1-56) concludes that sport is an effective way of generating social capital. Karimbedou and Pastadaras (2007: 21) go as far as to suggest that sport can be seen as a form of positive social capital since it promotes social cohesion, social ties and trust among other things.

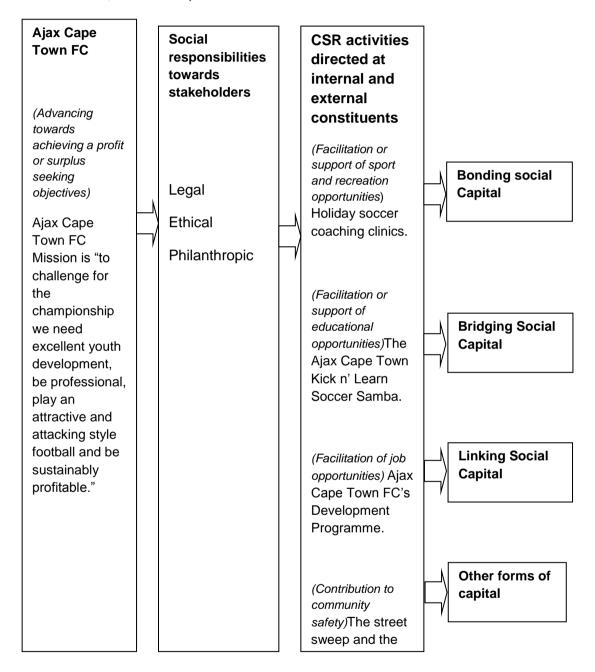
The results obtained in this study show that Ajax Cape Town FC which is a professional sport organisation creates social capital through their corporate social responsibility (CSR) initiatives. To strengthen the premise that Ajax Cape Town FC is creating social capital from the CSR programmes, responses from the interviews can be cited. For example, one of the Ajax officials stated:

"We wouldn't have the players we have if we didn't make the communications and relationships with the community. It's an open door exercise that gives a little bit of leverage in terms of being recognized by the community."

It has been recognised that Ajax Cape Town FC creates social capital through the CSR activities in which they engage. It is important for the link between CSR and social capital to be identified and examined based on the results. Figure 29 taken

from (Spaaij and Westerbeek, 2010: 1364) is used to show this link and demonstrate that Ajax Cape Town FC creates social capital through their CSR activities.

**Figure 29:** Social Capital formation through Sport Business (Spaaij and Westerbeek, 2010: 1364).



# 5.3. Effect of Social Capital on Organisational Performance

Given that Ajax Cape Town FC is creating social capital through their CSR programmes, the next question is whether this affects their organisational performance in any way.

The most reliable way to understand the expected performance of an organisation is to look at their objectives and thendetermine whether the output is indeed achieving those objectives as expressed by Watt, (2003: 115-130)who suggests that the measure of success is always against the objectives of the organisation. There are a number of aims and objectives of Ajax Cape Town FC identified from the interviews:

- To win the PSL with players developed from the Ajax Cape Town FC development structure;
- To develop players for Ajax Amsterdam;
- Youth development;
- To develop professional football;
- To be the most successful club in Africa;
- To be the leading football brand in Africa;
- To win the premier league;
- To make a profit;
- To develop Cape Town talent.

From the results of the study, some of these objectives have been successfully achieved and some have not. For example, Ajax Cape Town FC has never won the premier soccer league and not with players developed from the development structure. However they have one of the best development structures in South African professional football, a good brand and they identify and develop Cape Town talent.

Looking at the data of this study, Ajax Cape Town FC gained the following benefits from the CSR activities:

• Opportunity to identify potential players for the team;

- Increase number of loyal supporters;
- Facilitates access to sponsorship due to connections developed through networking;
- Increased awareness of the club;
- To build a positive brand image.

The benefits identified contribute significantly to the performance of Ajax Cape Town FC and this indicates that social capital created by Ajax Cape Town FC does contribute to the performance of the organisation. Lin (2001:6) supports this idea by suggesting four reasons why the outcome of actions is enhanced in cases where social capital is developed:

- Social capital facilitates the flow of information, that is, social ties with individuals who are better informed about market needs and demands as well as opportunities whichcan provide useful information;
- Social ties can exert an influence, social ties with influential individuals such as recruiters, employers, supervisors who may influence decisions made on promotions or hiring;
- Social ties and relations can be conceived as certifications of the individual or organisation's social credentials. These social ties and relationsmay reflect accessibility to resources via the individual or organisation's social capital;
- Social relations reinforce identity and recognition, which is, the worth of an individual or an organisation as a member of a social group.

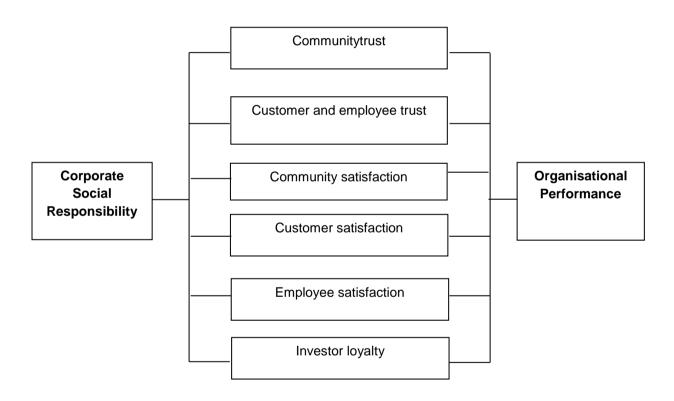
These four reasons support the benefits identified giving them increased relevance. One of the officials in the interview responded that social capital is important to the success of the organisation. The respondentis quoted as saying:

"When you are building a brand, the brand becomes successful when people are talking about you and want to be a part of it. All of these (PR, CSI, Marketing, Promotions) you do to open doors and have lasting relationships with the communities. When you do the CSI programmes, you have easy access to the community, people who can help you with just a phone call and you have a relationship with the communities that help you to get what you want in the communities with minimum complications. There is an understanding of the people in the community and the type of responses they can give as well as what they can afford. Our communities are basically the foundation of what we want to achieve. Every action made should be relevant."

# 5.4. Social Capital for a Financially and Socially Successful Organisation

Figure 7 shows the benefits that link CSR with organisational performance. The benefits of CSR in this perspective are long-term (Spaaij and Westerbeek, 2010:1361-1362).

**Figure 7:** The role of CSR in corporate performance (Spaaij and Westerbeek, 2010: 1362).



According to Walters and Chadwick (2009: 51-66), there is a strong development of trust between the sport organisation and the community through the organisation's CSR activities. Walters and Chadwick (2009: 51-66), have called this a "community trust model of governance" and from this model six strategic benefits can be identified clearly. The six benefits are;

• The removal of community and commercial tensions;

- Reputation management;
- Brand building;
- Local authority partnership;
- Commercial partnership; and
- Player identification.

The strategic benefits identified by Walters and Chadwick (2009: 51-66) echo benefits that Ajax Cape Town appears to derive from their CSR programmes. Table 18 highlights thesimilarity between the strategic benefits identified by Walters and Chadwick (2009: 51-66) and the benefits that Ajax Cape Town FC derives from the CSR programmes as seen from the data collected.

Strategic Benefits	Ajax Cape Town FC Benefits From the CSR Programmes:					
The removal of community and	Strengthen the relation between the club					
commercial tensions	and the community;					
	Promote Brand loyalty					
Reputation management	Keep the club in touch with the					
	community					
Brand building	Build the brand of the club					
Local authority partnership	Support from the community					
Commercial partnership	Brand Awareness					
Player identification	Scout for potential talent					

Table 18: The strategic benefits of CSR for Ajax Cape Town FC

It was interesting to observe that one of the Ajax Cape Town FC officials was unimpressed with the players' approach to the CSR programmes. He suggests that their lack of understanding of the significance of the CSR programmes obstructs the benefits that the organisation gains from the programmes. This official is quoted as saying:

"No because the biggest challenge is that we wish those players understand why they do CSI programmes, they are not professional enough to understand that they are local celebrities. They need to understand why they do these programmes; they are more focused on what time they will be finishing and how much overtime they are working, so they need to change their mentality and begin to understand why they do these programmes in the first

place. So no I don't think it has an impact on the club at all."

CSR has an impact on the financial success of the sport business organisation. It is unfortunate that Ajax Cape Town FC's financial records could not be analysed to gain strong evidence, but responses from the Officials during the interviews intimated that social capital is a factor in the financial success of the organisation. One of the officials is quoted as saying:

"The better we do in the community, the more supporters we have, the more people will buy our tickets, the more people will buy our t-shirts to support us, the more people will followus on television, the more our ratings go up and we can compete with the bigger teams. Its long term for sure, I think it's already in effect. I don't know how it's measured, if it's measured, the more support you have, the better the income."

These findings are consistent with the suggestion made by Burke and Logson (1996: 496- 500) that an organisation can plan their CSR strategically; this means they can select activities or programmes that complement their organisational goals and will therefore enhance their organisational performance. They could and should highlight the benefits of strategic CSR to include:

- Customer loyalty, future purchasers;
- Productivity gains from increased employee loyalty and morale;
- Public relations and marketing advantage;
- New product or graphic market opportunities;
- First to market or leadership benefits and an edge in meeting emergency needs.

It would appear that Ajax Cape Town FC has successfully aligned its CSR objectives with their main organisational objectives and as such isable to gain maximum benefits from the activities. Since it has already been established that these CSR activities create social capital, it can be concluded that social capital is a necessary factor in a financially and socially successful sport business.

## 5.5. Measuring Social Capital

From the data, it is clear that Ajax Cape Town FC has no processes or systems in place to measure their CSR programmes. The only aspect that they seem to carefully monitor is the Development Programme. This failure to measure their CSR programmes means that they are unable to quantify their social capital and have little if any way of knowing whether they are benefitting from these programmes or if they are doing themselves a disservice by engaging in these programmes.

CSR has become increasingly important in the business world. The amounts of money that businesses invest into CSR programmes havemade it necessary for organisations to be able to assess or measure the effects of CSR. Cho, Lee and Park (2012:54) and Marquez and Fombrun (2005: 204-308) discuss measuring in terms of financial reports and non-financial reports such as the Morgan Stanley Capital International (MSCI) and Environmental, Social and Governance (ESG) Research.

It might be pertinent for businesses to use these strategies to measure their CSR and therefore their social capital. There is a matrix that can be used internally to assess each programme individually. The matrix is taken from (Edgington, Hudson, Dieser and Edgington, 2004: 436) and is designed to measure asuccess of leisure programmes. As stated in chapter 2, this matrix considers the purpose, goals, strategies, program elements and results of a programme. The basis of this approach is pre-determined goals and objectives that have measurable outcomes.

Each CSR programme implemented by Ajax Cape Town FCcould be analysed using this matrix. The purpose of the programme will be considered as well as the goals, strategies, programme elements and results of the elements. The results of the programme could show the presence or absence of social capital from each programme and providean idea of the type of social capital created. An example is used in the next chapter to show how one of the Ajax Cape Town FC programmes could be measured using this matrix.

Another measurement system that organisationscan use to assess their CSR activities is the virtue matrix proposed by Martin (2002: 62-75). The virtue matrix calculates the return on CSR for companies and addresses the following important questions:

• What motivates the demand for responsible corporate behaviour?

- Why does globalization affect CSR?
- What barriers affect increasing responsible corporate behaviour?
- What other forces add to the stream of CSR?

## 5.6. The Role of Social Capital in Professional Sport

According to the data collected in this study, social capital plays a significant role in sport. It is contended that as a result of the social capital generated by the Ajax Cape Town FCthe organisation has:

- Gained the trust of the community;
- Won loyal fans who support the team even when they do not perform well;
- A better opportunity of going into the community and identifying potential talent because they have a good relationwith the community; and
- Acommunity that identifies with Ajax Cape Town FC.

The following examples show the benefits of the social capital that Ajax Cape Town FC is creating through their programmes:

One of the interviewees was quoted as saying:

"They are investing in the youth, the poorer communities and they are getting exposure in return, they are creating opportunities for the kids to experience these things, and they have a symbiotic relationship with the community. Kids from the school have had the opportunity to be player escorts and they provide role models for the children."

Another stakeholder said:

"Obviously Ajax is getting these youngsters to participate in their development programmes. The community is benefitting due to the simple fact that these youngsters are being recognized and their skills are being honed. They can only grow from strength to strength."

One of the Ajax Cape Town FC Officials said:

"We wouldn't have the players we have if we didn't build the communications and relationships with the community. It's an open door exercise that gives a little bit of leverage in terms of being recognized by the community."

This observation concurs with the findings of Kobayashi, Nicholson and Hoye (2011: 51)in a study they completed on football clubs in the Vanuatu area, where they listed the following findings:

- Football clubs were found to be important areas for creating bonding social capital;
- They found no evidence of negative social capital outcomes;
- Football clubs act as social institutions that facilitate social ties;
- The ties developed were shown to be based on reciprocity;
- Highlighted the value to sport club administrators as they could easily access reliable, flexible human resources;
- Access to different social networks gave the sport clubs access to different resources.

Other researchers such as Ottessen, Jeppesen and Krustrup (2010: 118-131) discovered that there is a positive development of social capital through physical activity (football and running). Seippel (2006: 169-183)hypothesized a positive effect due to more connected relations (member of sport and other organisations) and due to the level of activity in an organisation.Okayasu, Kawahara and Nogawa (2010: 163-183) concluded in their research that comprehensive community sport clubs show social capital through trust, network, and reciprocity.

## 5.7. Summary of Chapter

In this chapter, the data have been analysed and the salient points arising have been discussed. This chapter hasbrought to light important discussion points and contextualised these in terms of the relevant literature and the analyses of data collected. Chapter 6 outlines recommendations based on the observations and analyses and from which conclusions of the whole study are drawn.

## **CHAPTER 6**

## **RECOMMENDATIONS AND CONCLUSION**

#### 6.1. Introduction

This chapter proposes recommendations for Ajax Cape Town FC to better utilize the potential of the social capital developed by their CSR activities. A few areas of concern were identified from the findings and they are addressed in this chapter.Recommendations are made to counter any impact or effect they may have on the overall organisational performance of the club. The conclusion then summarises the study and rounds up the main points.

#### 6.2. Areas of Concern

The findings showed areas in whichAjax Cape Town FC ought to pay more attentionin order to increase their effectiveness as a professional club. The concerns identified by the study could have an effect on the performance of the organisation.

The identified issues include:

- No measurement systems in place to evaluate the success of Ajax Cape Town FC's CSR activities;
- The lack of players' understanding of the significance of the CSR programmes;
- Only three permanent Community Scheme employees to manage and implement the CSR programmes.

## 6.3. Recommendations

## 6.3.1. Evaluating Success of CSR activities

The study found that Ajax Cape Town has no measurement systems in place to evaluate the success of their CSR activities. As a result, they have no way of monitoring whether they are gaining any tangible benefits from the programmes. Measurement methods that typically include measuring using financial reports and non-financial reports such as the Morgan Stanley Capital International (MSCI) and the Environmental, Social and Governance (ESG) Research identified by Cho, Lee and Park (2012:54) and Marquez and Fombrun (2005: 204-308) arecommon methods that companies use to measure the output of CSR which were discussed in

detail in the literature review chapter.All these measurement methods are viable options for Ajax Cape Town FC.

Two measurement methods, namely the virtue matrix and the programme evaluation matrix suggested by Martin (2002:73) and Edgington, Hudson, Dieser and Edgington (2004: 436) respectively, were identified as the simplest systems that Ajax Cape Town FC can use to begin to measure their CSR output.

The virtue matrix will assist Ajax Cape Town FC to answer the following important questions:

- What motivates the demand for responsible corporate behaviour?
- What barriers affect increasing responsible corporate behaviour?
- What other forces add to thecourseof CSR?

Once these questions were considered, the CSR activity in questions can then be classified as intrinsic or instrumental; which means they will then be able to identify initiatives that advance their shareholders' value, as well as which initiatives are purely about giving to the community and thereafter prioritize accordingly. Using the virtue matrix is relatively easy and as shown in Figure 8 (page 31); the boundaries dividing the quadrants in the matrix are not static but can easily move one way or the other as the objectives of the CSR initiative change, thus enabling successful and meaningful monitoring.

The programme evaluation matrix was intended to measure the success of leisure programmes. For the purposes of this study it was adapted to measure the success of CSR programmes. This matrix considers the purpose, goals, strategies, program elements and results of a leisure programme. The basis of this approach is predetermined goals and objectives that have measurable outcomes.

An example of how one of the Ajax Cape Town FC CSR programmes would be evaluated using this matrix is shown in Figure 30 (page 107). The results or outcomes are based on the objectives specified. The achievement of the goals is identified andmakes it easier to point out the shortcomings of the programme as far as achieving the goals is concerned because the implementation strategy and programme elements are examined. Because the outcomes of the programme are identified in the programme evaluation matrix, the type of social capital created can be identified.

Figure 30: A matrix for identifying and analysing evaluative questions: the Ajax
Cape Town FC Kick n' Learn Soccer Samba

Durnege	Categories of Evaluative Questions						
Purpose	Goals Strategies Program Elements Results						
To Aid in Accountability	(What goals were chosen?) To look for young talent in children; To be good citizens; To gather support for the team; To assist the community in addressing issues that the children are facing like drugs and gangsterism; To give back to the community. (What alternative goals might have been considered?) Providing children with an opportunity to play, creating awareness of the club to the community, (How well have the goals been translated into objectives?) The goals were easy to translate into objectives (Overall, what is the merit of the goals that were chosen?) The objectives were set up such that both the community and the organisation benefit from the programme	(What strategy was chosen?) An hour is divided into two sessions, a life skills workshop for 30 minutes and soccer training for the other 30 minutes outdoors(What other strategies might have been considered?)The time spent on the sessions could have been more, the number of children in each group at a time could have been more(How well was the chosen strategy translated into an operational design)Successfully (Overall, what was the merit of the chosen strategy?)The time frame can be fit into the school schedule and children get the opportunity to play outside.	(What was the operational design?)Three Full time coaches deliver the programme to the schools. The programmes run for 6 weeks ata time. (To what extent was it implemented?) The community scheme is rolled out to 140 schools across the Western Cape (What are the strengths and weaknesses of the design under operating conditions?) Strength: a lot of schools are covered Weakness: Few staff members to cover all schools efficiently (Overall, what is the merit of the process that was actually carried out?)The full time coaches are committed to the programme	(What results were achieved?)This programme is done in 140 schools. Over 3 000 kids are reached with this programme and soccer coaching clinics are done along with life skills workshops.(Were the stated objectives achieved?) Yes(What impact was made on the target audience?)Imparting skills to the children; Provide positive role models for the children in the community; They give children the opportunities for development are provided; Give children in the community a different focus besides drugs and gangs.What long-term effects may be predicted? Loyal support for the club from the community, potential talent can be identified and groomed(Overall, how valuable were the results and impacts of this effort?)Worth the effort			

## 6.3.2. Players' Lack of Understanding of the Significance of the CSR Programmes

A majorconcernidentified in the data of the study was the apparent lack of understanding by the Cape Town FC players regarding the significance of the CSR programmes. Ajax Cape Town FC is a professional sport organisation, and as such it recognises the team players to be the most valuable employees they have. They are the frontline representatives of the organisation and when the public talks about the organisation, they are likely to be referring to the players. Because many of these players are from the community, it is important that they understand the role of CSR, the social capital generated because they often take the lead and are visible in these programmes.

It is recommended that when young talent is identified and drafted into the development programme, individualsmust immediately be involved in the CSR programmes so that they understand that it is part of their responsibility as members of Ajax Cape Town FC to give back to the community. If the players are more visible in these programmes, this adds to the marketing profile of the organisation, building on the brand personality and identity of the club. This is key point because it could become a point of differentiation that gives Ajax Cape Town FC a market advantage over other teams in the PSL, much like FC Barcelona maximises on their CSR activities in the European leagues.

#### 6.3.3. Community Scheme employees

It was noticed in the findings that there are only three permanent Community Scheme employees. Given the scope of the Community Scheme, the three employees are probably insufficient to plan, implement and evaluate the various programmes. There is a risk that they might become overwhelmed by the amount of work that they need to invest in order to be an effective department.

The community scheme programmes require a lot of research as was shown in the findings; each initiative is tailored for the specific area. Once this is completed, there must be a considerable amount of planning that goes into these programmes and then these same employees must implement the activity and analyse its effectiveness.

It has already been shown that there are seven significant initiatives run by Ajax Cape Town FC. If just one of these initiatives is taken into consideration, for instance, the 'The Ajax Cape Town Kick n' Learn Soccer Samba targets 140 schools across the Western Cape or even the holiday soccer coaching clinics where there are approximately 500 children at Ikamva for the holiday programme. How effective can three people be, given these large numbers? It is recommended that there be more employees involved in the community scheme or for the department to make use of volunteers to maximise their effectiveness.

#### 6.3.4. Future Research

If further research is to be done, it is recommended that the data collection not be restricted to stakeholders, but include supporters at large. The use of more than one organisation would increase the reliability of the results obtained and the selected samples should span the three big sports in South Africa:cricket, rugby and soccer. A limitation that was met in this research is the lack of a method or model that could be used toassessthe financial value of the effect that social capital had on organisational performance. The effect could be identified but could not be measured, which is something that future research might attempt to achieve.

#### 6.4. Conclusion

This study has demonstrated that social capital is created through the CSR activities of Ajax Cape Town FC by highlighting the creation of a mutually beneficial relation between the organisation and the community. The type of social capital created was related to bonding, bridging and linking social capital. Figure 29 (page 96) was used to show the different CSR initiatives and the type of social capital that each programme created. The CSR activities and the benefits for the Ajax Cape Town FC included:

- An opportunity to identify potential players for the team;
- To increase number of loyal supporters;
- To facilitate access to sponsorship because of connections;
- To increase awareness of the club in the community;
- An opportunity to build a positive brand image.

The creation of social capital presentsAjax Cape Town FC with a chanceto differentiate itself from other professional football clubs in the PSL and allows them increased access to the market, which in turn gives them an advantage in terms of achieving their organisational goals.

Social capital appears to have an effect on the performance of Ajax Cape Town FC, and the effect of social capital on organisational performance is largely positive in this instance. A few areas of concern were identified and recommendations were made to counter possible negative implications of these concerns. A major concern is that the extent of the effect of social capital on the organisation's financial performance could not be determined since there are no established systems or methods to measure this phenomenon. Thus it may be a key consideration for future study in this area.

## REFERENCES

Ajax Cape

TownFC.n.d. *Clubhistory*<u>http://www.ajaxct.co.za/the\_club.htm?category=club+history</u> [25 July 2013]

Ajax Cape Town FC.n.d.*Mission and Vision*.<u>http://www.ajaxct.co.za/the\_club.htm?category=mission+and+values</u> [25 July 2013]

Ajax Cape Town FC, n.d *Ajax Community Scheme*. <u>http://www.ajaxct.co.za/community.htm [</u>28 July 2013]

Ajax Cape Town FC. 2013. *Community Scheme Report*. Cape Town. Ajax Cape Town FC

Amis, J. 2005. Interviewing for case study research. In Andrews, D. L., Mason, D. S. & Silk, M. C (ed). *Qualitative methods in sports studies*. New York: Berg.104-108

Andreff, W.2001. The correlation between economic underdevelopment and sport. *European Sport Management Quarterly*, *1*(4): 251-279.

Andrew, D.P.S., Pedersen, P.M. &McEvoy, C. D. 2011. *Research methods and design in sport management*. New York: Human Kinetics.

Anonymous.n.d. *History of sport*.<u>http://en.wikipedia.org/wiki/History\_of\_sport</u> [26/05/2014]

Anonymous.n.d. *The Boston matrix: focusing effort to give the greatest returns.* <u>http://www.mindtools.com/pages/article/newTED\_97.htm</u> [13/08/2013]

AT Keaney. 2011. *The Sports market*.<u>http://www.atkearney.com/paper/-</u> /asset\_publisher/dVxv4Hz2h8bS/content/the-sports-market/10192 [16 September 2014]

Atherley, K. M. 2006.Sport, localism and social capital in rural Western Australia. *Geographical Research*, *44*(4): 348-360.

Atkinson, M. 2012. *Key concepts in sport and exercise research methods*. London: Sage Publications.

Baker, R. & Esherick, C. 2013. *Fundamentals of sport management*. New York. Human Kinetics.

Babiak, K. & Wolfe, R. 2006. More than just a game?: corporate social responsibility and Super Bowl XL. *Sport Marketing Quarterly*, 15 (4): 214-222.

Babiak, K. & Wolfe, R.2009. Determinants of corporate social responsibility in professional sport: internal and external factors. *Journal of Sport Management*, 23(6): 717-742.

Barclays Premier League. 2014. About the Premier League. <u>http://www.premierleague.com/content/premierleague/en-gb/about.html [15</u> September 2013]

Barney, J. B. 1986. Organizational culture: can it be a source of sustained competitive advantage? *Academy of Management Review*, *11*(3): 656-665.

Blair, J. P. 1997. Sport based economic development. *Economic Development Review*, 15(2): 51-55.

Bradish, C. & Cronin, J.J. 2009.Corporate social responsibility in sport. *Journal of Sport Management*, 23(6): 691-697.

Bramham, P. & Hylton, K. (ed). 2008. *Sports development: policy, process and practice*. 2<sup>nd</sup> ed. London: Routledge.

Breitbarth, T. & Harris, P. 2008. The role of corporate social responsibility in the football business: towards the development of a conceptual model. *European Sport Management Quarterly*, 8(2): 179-206.

Breitbarth, T., Hovemann, G. & Walzel, S. 2011. Scoring strategy goals: measuring corporate social responsibility in professional European football. *Thunderbird International Business Review*, 53(6): 721-737.

Bourdieu, P. 2008. The forms of capital. *Readings in Economic Sociology*, 4: 280-285.

Boudieu, P. 1986. The forms of capital. In Richardson, J. G. *Handbook of theory and research for the sociology of education*. London: Greenwood Press.

Burke, L. & Logson, J. M.1996. How corporate social responsibility pays off. *Long Range Planning*, *29*(4): 495-502.

Burnett, C. 2012. Africa for FIFA & Sons. In Segeart, B. 2012. Sports governance, development and corporate responsibility. London: Routledge.

Burnett, C. 2011. Engaging sport-for-development of social impact in the South African context.In Spaaij, R. 2011. *The social impact of sport: cross-cultural perspectives.* London: Routledge.

Cameron, K. S., & Quinn, R. E. 2011. *Diagnosing and changing organizational culture: based on the competing values framework*. 2<sup>nd</sup>ed. New York: John Wiley.

Carr, P., Findlay, J., Hamil, S., Hill, J. & Morrow, S. 2000. The Celtic Trust. *Soccer* and *Society*, *1*(3): 70-87.

Carroll, A. B. 2000. Ethical challenges for business in the new millennium: corporate social responsibility and models of management morality. *Business Ethics Quarterly*, 10(1):33-42.

Carroll, A.B. 1991. The pyramid of corporate social responsibility: toward the moral management of organisational stakeholders. *Business Horizons*: 39-48, July-August.

Carroll, A.B. 1979. A three-dimensional conceptual model of corporate performance. *Academy of Management Review*, 4(4):497-505.

Cashmore, E. 1990. *Making sense of sport*. New York: Routledge.

Chadwick, S. & Arthur, D. 2008.Mesqueun club (more than a club) case summary: the commercial development of FC Barcelona In Chadwick, S. & Arthur, D. 2008. *International Cases in the Business of Sport*. Oxford: Elsevier, 1-13.

Cho, S., Lee, C. & Park, C.K. 2012.Measuring corporate social responsibility. *The CPA Journal*, 54-60

Chelsea Football Club.2007.*Chelsea Foundation Review* 2004/2005.<u>http://www.chelseafc.com/the-club/foundation/foundation-news/foundation-reports.html[13 July 2013]</u> Chelsea Football Club. 2012. *Chelsea Foundation Review 2010/2011* http://www.chelseafc.com/the-club/foundation/foundation-news/foundationreports.html [13 July 2013]

Chelsea Football Club. 2013. *Chelsea Foundation Review* 2011/2012<u>http://www.chelseafc.com/the-club/foundation/foundation-news/foundation-reports.html</u>[13 July 2013

Covell, D., Walker, S., Siciliano, J. & Hess, P. 2007. *Managing sports organisations' responsibility for performance*.2<sup>nd</sup> ed. Oxford: Elsevier.

Crego, R. 2003. *Sports and games: 18<sup>th</sup>and 19th Centuries*. London: Greenwood Press.

Davis, S., Lukomnik, J. & Pitt-Watson, D. 2006. *The new capitalists: how citizen investors are re-shaping the corporate agenda*. Massachusetts: Harvard Business Press

Decker, W. 1992. Sport and games of Ancient Egypt, London: Yale University Press.

Dicks, A. 2014. *Ajax Cape Town*.<u>http://www.premiercup-bayhill.co.za/tournament-news-item.php?news-id=568[</u>23 September 2014]

Edgington, R., Hudson, S. R., Dieser, R. B. and Edgington, S. R. 2004. *Leisure programming: a service-centred and benefits approach*. 4<sup>th</sup> ed. New York: McGrawHill.

Edwards, A. & Skinner, J. 2009. *Qualitative research in sport management*. Oxford: Elsevier.

Espitia-Escuer, M. & Garcia-Cebrian, I. 2010. Measurement of the efficiency of football teams in the Champions' League. *Managerial and Decision Economics*, 31(6): 373-386.

Evan, W. M., & Freeman R. E. 1993. A stakeholder theory of the modern corporation: Kantian Capitalism. In Beauchamp, T. L. and. Bowie, N. E. (eds). 2004. *Ethical theory and business.* New Jersey: Prentice-Hall, 102-103.

FC Barcelona Foundation. 2013. *Report 2012/2013*. http://media3.fcbarcelona.com/media/asset\_publics/resources/000/127/123/original/

## MEMORIA\_FUNDACIO\_ENGLISH\_2013\_14\_baixa.v1413902980.pdf?\_ga=1.21966 4667.389872531.1416479887 [13 July 2013]

FC Barcelona Foundation.n.d. Whoare

we?http://foundation.fcbarcelona.com/detail/card/foundation-fc-barcelona-who-weare [11 April 2014]

FC Barcelona

Foundation.n.d. *Ourprojects*.<u>http://foundation.fcbarcelona.com/projects/program</u> [11 April 2014]

FC Barcelona Foundation.n.d.*Alliances*.<u>http://foundation.fcbarcelona.com/projects/alliances</u> [11 April 2014]

Folane, P., Browne, J. & Jagdev, H. 2007. Performance: its meaning and content for today's business research. *Science Direct*, 58(7): 605-620

Fort, R.& Quirk, J. 2004.Owner objectives and competitive balance. *Journal of Sports Economics*, 5(1): 20-32

Friedman, M. 1970. The social responsibility of business is to increase its profits. In Beauchamp, T. L., Bowie, N. E. & Arnold, D. G. (ed) 2009. *Ethical theory and business.* 8<sup>th</sup>ed. New Jersey: Pearson Prentice Hall,51-55

Godfrey, P. C. 2009. Corporate social responsibility in sport: an overview and key issues. *Journal of Sport Management*, 23(6): 698-716

Gratton, C. & Jones I.2010.2<sup>nd</sup> ed. *Research methods for sport studies*. London: Routledge

Gregory, M. J. 1993. Integrated performance measurement: a review of current practice and emerging trends. *International Journal of Production Economics*, 30-31: 281-296

Hamil, S., Walters, G. & Watson, L. 2010. The model of governance at FC Barcelona: balancing member democracy, commercial strategy, corporate social responsibility and sporting performance. *Soccer & Society*, 11(4): 475-504 Hamil, S. 2008. Manchester united: the commercial development of a global football brand. In Chadwick, S. & Arthur, D. (ed). *Internationalcases in the business of sport*. Oxford. Elsevier, 114-134

Harty, C. 2014.5 Football clubs listed on the stock exchange.<u>http://www.therichest.com/sports/soccer-sports/5-football-clubs-listed-on-</u> the-stock-exchange/[30 April 2015]

Höglund, K.&Sundberg, R. 2008.Reconciliation through sports?The case of South Africa.*Third World Quarterly*, 29(4):805-818

Holly, C. 2010. Symbols from the sky: heavenly messages from the depths of prehistory may be encoded on the walls of caves throughout Europe. *Seed Magazine*, July 2010

Houlihan, B. & White, A. 2002. *The Politics of sports development: development of sport or development through sport?* London: Routledge

Hoye, R., Nicholson, M. & Smith, A. 2008. *Unique aspects of managing sport organizations.21st century management: A reference handbook.* Thousand Oaks, California: Sage, 499-507

Hoye, R. & Nicholson, M. 2009. Social capital and sport policies in Australia policy transfer in action. *Public Management Review*, 11(4): 441-460

Hoye, R., Smith, A.C.T., Nicholson, M., Stewart, B. &Westerbeek, H. 2012. *Sport* management principles and applications.3<sup>rd</sup>ed. New York: Routledge

Hylton, K., & Bramham, P. 2008. Models of sports development. *Management of sports development. Oxford: Elsevier*.(41-58)

Hylton, K. & Totten, M. 2013.community sports development. Hylton K. 2013. *Sport development; policy, process and practice*. New York; Routledge

Inoue, Y., Kent, A. & Lee, S. 2011. CSR and the bottom line: analysing the link between CSR and financial performance for professional teams. *Journal of Sport Management*, 25(6): 531-549

Jurevicius, O. 2012.*BCG growth share matrix*.<u>http://www.strategicmanagementinsight.com/tools/bcg-matrix-growth-share.html</u> [13 August 2013] Kamberidou, I. & Pastadaras, N. 2007. A new concept in European sport governance: sport as social capital. *Biology of Exercise*, 3: 21-34

Kaplan, R. S. & Norton, D. P. 1996. Using the balanced scorecard as a strategic management system. *Harvard Business Review*, January-February: 76-86

Kawachi, I., Kim, D., Coutts, A. & Subramanian, S. V. 2004. Commentary: Reconciling the three accounts of social capital. *International Journal of Epidemiology*, 33(4): 682-690

Kesenne, S. 2006. The win maximization model reconsidered: flexible talent supply and efficiency wages. *Journal of Sports Economics*, 7(4): 416-427

Khoza, I. n.d. *Benefits of TV deal part 1*. <u>http://www.psl.co.za/column.asp?id=6330</u> [06 September 2014]

Klein, A. 2011. The transnational view of sport and social development: the case of Dominican baseball. In Spaaij, R. 2011. *The social impact of sport: cross-cultural perspectives*. London: Routledge.

Kobayashi, T., Nicholson, M. & Hoye, R. 2011. Football 'wantok': sport and social capital in Vanuatu. *International Review for the Sociology of Sport*, 48(1): 38-53

Kumar, R. 2009. Sports, adventures and recreational tourism. New Delhi. SBS Publishers and Distributers

Kyle, D. G. 2010. Origins. In Pope, S. W. & Nauright, J. (ed). 2010. *Routledge companion to sports history*. New York. Routledge Taylor and Francis.116-117

Lebas, M. J. 1995.Performance measurement and performance management. *International journal of Production Economics*, 41(1):23-35

Leonard, D. & McAdam, R. 2003.Corporate social responsibility. *Quality and Ethics,* 36(10): 27-33

Levermore, R. 2008. Sport: a new engine of development? *Progress in Development Studies*, 8(2): 183-190

Levermore, R. 2010. CSR for development through sport: examining its potential and limitations. *Third World Quarterly*, 31(2): 223-241

Levermore, R. 2011. The paucity of and dilemma in evaluating corporate social responsibility for development through sport. *Third World Quarterly*, 32(3): 551-569

Lin , N. 2001. *Social capital: a theory of social structure and action*. New York: Cambridge University Press

Lin, N. 2000. Inequalities in social capital. Contemporary Sociology, 29(6):785-795

Lin, N. 1999. Building a network theory of social capital. Connections, 22(1): 28-51

Loy, J. W. 1968. The nature of sport: a definitional effort. Quest, 10(1):1-15

Lynch, C. 2010. Doing your research project in sport. Cornwall: Learning Matters

Martin, R. L. 2002. The virtue matrix. The Harvard Review, March 2002

Marquez, A. & Fombrun, C. J. 2005.Measuring corporate social responsibility. *Corporate Reputation Review*, 7(4): 304-308

Masteralexis, L. P. 2009. Professional sport in Lasteralexis, L. P., Barr, C. A & Hums, M. A. 2009. *Principles and practices of sport management.* 3<sup>rd</sup> ed. Toronto: Jones and Bartlett: 205-232.

Mekuto, T. 2013. Assistance.<u>tittie@asiamail.com</u> (from) <u>shooz@ajaxct.co.za</u>) 29 October 2013

Morrison, A. & Wensley, R. 1991. Boxing up or boxed in: a short history of the Boston consulting group share/growth matrix. *Journal of Marketing Management*, 7(2):105-129

Morgan, B. n.d. *Sponsorship boom*.<u>http://www.southafrica.info/about/sport/soccer.htm</u> [06 September 2014]

Okayasu, I., Kawahara, Y. & Nogawa, H. 2010. The relationship between community sport clubs and social capital in Japan: A comparative study between the comprehensive community sport clubs and the traditional community sports clubs. *International Review for the Sociology of Sport*, 45(2): 163-186

Olsen, W. 2012. Data collection key debates in social research. London: Sage Publications Ltd

Olitzky, M. 2013.Corporate social responsibility, noise, and stockmarket volatility. *The Academy of Management Perspectives*, 27 (3) 238–254

Ottesen, L., Jeppesen, R. S. & Krustrup, B. R. 2010. The development of social capital through football and running: studying an intervention program for inactive women. *Scandinavian Journal of Medicine and Science in Sports*, 20(1): 118-131

Pitts, B. G. 2001. Sport management at the millennium: a defining moment. *Journal* of Sport Management, 15(1): 1-9

Portes, A. 1998. Social capital: its origins and applications in modern sociology. *Annual Review Sociology*, 24: 1-24

Portes, A. 2000. The two meanings of social capital. Sociological Forum, 15(1): 1-12

Premier Soccer league, n.d. *About the PSL*.<u>http://www.psl.co.za/content.asp?id=5488</u> [15 August 2013]

Premier Soccer league, n.d. *Standings*.<u>http://www.psl.co.za/log.asp?id=794</u> [12 September 2014]

Pun, K. F. & White, A. S. 2005. A performance measurement paradigm for integrating strategy formulation: a review of systems and frameworks. *International Journal of Management Review*, 7(1): 49-71

Putnam, R. D. 2000. *Bowling alone: the collapse and revival of American community*. New York: Simon & Schuster

Reid, H. L. 2011. *Athletics and philosophy in the ancient world contests of virtue*. New York: Routledge Taylor and Francis

Ross, C. M. 2006.Chapter 14, Recreational Sport Management.In Human Kinetics.ed. 2006.*Introduction to recreation and leisure*. Illinois. Human Kinetics: 271-278

Ryklief, S. 2014. Ajax Cape Town Future Star Sasman Promoted to First Team.<u>http://www.goal.com/en-za/news/4667/sa-psl/2014/08/30/5070308/ajax-cape-town-future-star-sasman-promoted-to-first-team</u> [05 September 2014]

Schofield, J. 2012. The archaeology of sport and pastimes. *World Archaeology*, 44(2): 171-174

Schultz, K. 2007. The role of tennis in generating social capital's.Bachelor of Science Degree in Economics Thesis. University of Puget Sound, Tacoma Washington

Seippel, O. 2006. Sport and social capital. Acta Sociologica, 49(2): 169-183

Servaes, H. & Tamayo, A. 2013. The impact of corporate social responsibility onfirm value: the role of customer awareness. *Management Science*, 59(5): 1045-1061

Shang, J. 2013. The negative side of corporate social responsibility. Degree of Doctor of Philosophy Dissertation. Simon Fraser University, Burnaby, British Columbia

Sindane. 2008. PSL Reveals its True Worth. *The Mail and Guardian*. 07 February 2008

Skinner, J., Zakus, D. H. & Cowel, J. 2008. Development through sport: building social capital in disadvantaged communities. *Sport Management Review*, 11: 253-275

Smith A. C. T. 2008. Introduction to sport marketing. Elsevier: Oxford

Smith, M.F. 2010. Research methods in sport. Britain: Learning Matters

Smith, A. & Westerbeek, H. 2004. *The sport business future*. New York: Palgrave Macmillan

Slack, T. & Parent M.M. 2006. Understanding sport organisations: the application of organisations theory, 2<sup>nd</sup>ed. USA. Human Kinetics

Sobel, J. 2002. Can we trust social capital. *Journal of Economic Literature*, 40:139-154

Spaaij, R. &Westerbeek, H. 2010. Sport business and social capital: a contradiction in terms? *Sport in Society*, 13(9): 1356-1373

Spaaij, R. & Westerbeek, H. 2011. *The social impact of sport: cross cultural perspectives*. London: Routledge

Sport and Recreation South Africa. 2012. Sport and Recreation South Africa Strategic Plan for the fiscal years 2012-2016.

http://www.srsa.gov.za/medialib/home/documentlibrary/strategic%20plan%202012% 202016.pdf [13 October 2013]

Sport and Recreation South Africa. 2009. *A Case for Sport.* <u>http://www.srsa.gov.za/medialib/home/documentlibrary/case%20for%20sport%20-%20oct%202009%20(final).pdf</u> [13 October 2013]

Sport England 2013. *Economic value of sport in England*.<u>http://www.sportengland.org/media/177230/economic-value-of-sport.pdf</u> [18 August 2014]

SportsEconAustria., Sport Industry Research Centre., Statistical Service of the Republic of Poland., Meerwaarde Sport en Economie., Federation of European Sporting Goods Industry. & Ministry of Sport and Tourism of the Republic of Poland. 2012. *Study on the contribution of sport to economic growth and employment in the EU*. Commissioned by European Commission, Directorate-General Education and Culture.<u>http://ec.europa.eu/sport/library/studies/study-contribution-spors-economic-growth-final-rpt.pdf</u> [18 August 2014]

State Information service.2009. *Ancient Egyptian Sport*.<u>http://www.sis.gov.eg/En/Templates/Articles/tmpArticles.aspx?ArtID=1694</u> [09 June 2014]

Stone, W. 2003. Bonding, bridging and linking with social capital. *Stronger Families Learning Exchange Bulletin*, Spring/Summer (4): 13-16 or <u>http://www.aifs.gov.au/sf/pubs/bull4/ws.html#content</u> [03/07/2013]

Teddlie, C. & Tashakkori, A. 2003. Major issues and controversies in the use of mixed methods in social and behavioural sciences. Teddlie, C. & Tashakkori, A. *Handbook of mixed methods in social and behavioural research*, California: Sage, 3-50

The Celtic Trust. 2011. *About the Celtic trust*.<u>http://www.celtictrust.net/index.php?func=d\_home\_about[</u>21 May 2014]

Tonts, M. 2005. Competitive sport and social capital in rural Australia. *Journal of Rural Studies*, 21(2): 137-149

Tonts, M. & Atherley, K. 2010. Competitive sport and construction of place identity in rural Australia. *Sport in Society*, 13(3): 381-398

Turker, D. 2009.Measuring corporate social responsibility: a scale development study.*Journal of Business Ethics*, 85(4): 411-427

Turner, P. 2007. The impact of technology on the supply of sport broadcasting. European *SportManagementQuarterly*, 7(4): 337-360

Turner, P. 2007. Marketing in for-profit and not-for-profit sport organisations. In Beech, J. & Chadwick, S. 2007. *The marketing of sport*. Essex: Pearson Education Limited: 23-44

United Nations. 2000. *The Millennium Development* Goals.<u>www.un.org/documents/ga/res/55/a55r002.pdf-A/RES/55/2 [12</u> October 2013]

Vamplew, W.1988. *Pay up and play the game: professional sport in Britain 1875-1914*. Cambridge, Cambridge University Press

Vamplew, W.1988.The economics of a sports industry: Scottish gate-money football, 1890–19141. *The Economic History Review*, 35(4): 549-567.

Van der Merwe, C. 2003. Statistical aspects in empirical research. In Lategan, L.O.K., Vermeulen, W. & Truscott, M. *Research Made Easy*. Bloemfontein: TekskorBK. 29-45

Veal, A.J. 2006. *Research methods for leisure and tourism a practical guide*. England: Pearson Education Limited

Venkatesh, V., Brown, S. A. & Bala, H. 2013.Bridging the qualitative-quantitative divide: guidelines for conducting mixed methods research in information systems.*MIS Quarterly*, 37(1): 21-54

Walters, G. 2009. Corporate social responsibility through sport: the community sports trust model as CSR delivery agency. *Journal of Corporate Citizenship*, 35: 81-94

Walters, G. & Chadwick, S. 2009. Corporate citizenship in football: delivering strategic benefits through stakeholder engagement. *Academy of Management Review*, 32(3):946-967

Watt, D. C.2003. Sports management and administration. 2<sup>nd</sup>ed. USA: Routledge

Wang, Y. G., Li, Y. M., Jan, C. L. & Chang, C. W. 2013. Evaluating the firm performance with balanced scorecard and data envelopment analysis. *WSEAS Transactions on business and Economics*, 10(1): 24-39

Welman, C., Kruger, F. & Mitchell, B. 2005. *Research methodology*. South Africa: Oxford University press

Woolcock, M. 1998. Social capital and economic development: toward a theoretical synthesis and policy framework. *Theory and Society*, 27(2): 151-208

Woolcock, M. 2000. *The place of social capital in understanding social and economic outcomes*.<u>http://www.oecd.org/innovation/research/1824913.pdf</u> [05 September 2013]

Zimbalist, A. 2003.Sport as a business. *Oxford Review of Economic Policy*, 19(4):503-511

Zyband, P., Collignon, H., Sultan, N., Santander, C. & Valensi, U. 2011. *The Sports Market: Major trends and challenges in an industry full of passion*. ATKearney; Illinois, USA.<u>http://www.atkearney.com/documents/10192/6f46b880-f8d1-4909-</u> <u>9960-cc605bb1ff34 [18</u> August 2014]

## **APPENDIX A – INTERVIEW SCHEDULES**

#### INTERVIEW SCHEDULE FOR AJAX CAPE TOWN OFFICIALS

#### Definitions of Key Terms

#### **Corporate Social Responsibility**

- Smith and Westerbeek (2004:112-113) define Corporate Social Responsibility (CSR) as a company's response to its social, political and economic responsibilities as defined through law and public policy.
- CSR is the action corporations use to fulfil what is explained as their social responsibility or ethical obligations towards the community.

#### **Social Capital**

- Social capital is defined as social networks that are based on social and group norms, which enable people to trust and cooperate with each other and via which individuals or groups can obtain certain types of advantages
- social capital is the outcome of an investment made in social relations with expectation of returns
- In short, social capital is the relationship built by the organisation with the outside environment that is beneficial to both parties.

#### **Organization Performance**

In reference to this study, Organizational performance is the measure of how successful the organization has been in reaching their Organizational goals and objectives based on their output both on-field and as a business.

#### <u>General</u>

- 1. What are the aims and objectives of Ajax Cape Town FC?
  - 1.1. What is the main aim of Ajax Cape Town FC?

- 1.2. What are the objectives that feed into the aim?
  - 2. What strategy do you employ to assess the achievement of those objectives?
  - How does Ajax Cape Town engage in Corporate Social Responsibility (CSR) activities? {clarify definition of CSR}

#### **Corporate Social Responsibility**

- 4. What are the objectives of the CSR initiatives/programmes?
- 5. What process is used to assess the achievement of those objectives?
- Do the CSR objectives compliment the overall objectives of the organisation?
   Explain how
- 7. Who is involved in the CSR programmes?
- 8. What criteria are used to select the communities that receive these programmes?
- 9. From these CSR programmes, is Ajax Cape Town FC building beneficial relationships with the target communities? Explain with the use of examples.

## Social Capital

- 10. Do these relationships impact the overall performance of the organisation in any way?
- 11. How are the targeted communities giving back to Ajax Cape Town FC?
- 12. Are you aware of the term **Social Capital?** Do you believe that Ajax Cape Town FC is building/creating Social Capital through their CSR programmes? Why?
- 13. Do you believe this Social Capital or the lack thereof is impacting the organisation in any way? Please explain your answer

## **Organisational Performance**

- 14. Does the success/failure of the CSR projects impact the performance of the organisation? Please explain why?
- a) Financially,

- b) On-field performance,
- c) employee turnover and loyalty,
- d) Supporters' loyalty.
- 15. Is CSR therefore incorporated into the strategic planning of the organization? How

#### INTERVIEW SCHEDULE FOR AJAX CAPE TOWN STAKEHOLDERS

#### **Definitions of Key Terms**

#### **Corporate Social Responsibility**

- Smith and Westerbeek (2004:112-113) define Corporate Social Responsibility (CSR) as a company's response to its social, political and economic responsibilities as defined through law and public policy.
- CSR is the action corporations use to fulfil what is explained as their social responsibility or ethical obligations towards the community.

#### **Social Capital**

- Social capital is defined as social networks that are based on social and group norms, which enable people to trust and cooperate with each other and via which individuals or groups can obtain certain types of advantages
- social capital is the outcome of an investment made in social relations with expectation of returns
- In short, social capital is the relationship built by the organisation with the outside environment that is beneficial to both parties.

#### **Organization Performance**

In reference to this study, Organizational performance is the measure of how successful the organization has been in reaching their Organizational goals and objectives based on their output both on-field and as a business.

## <u>General</u>

- Are you aware of Ajax Cape Town FC? [Talk to me about what you know about Ajax Cape Town]
  - 1.1. What in your opinion is the main aim of Ajax Cape Town FC?
  - 1.2. What are the aims and objectives of your organisation?
- 2. What is your link with Ajax Cape Town Football Club/What connects you to Ajax Cape Town Football Club?
- Does Ajax Cape Town engage in Corporate Social Responsibility (CSR) activities in your community? {clarify definition of CSR}

#### **Corporate Social Responsibility**

- 4. What in your opinion are the objectives of the CSR initiatives/programmes?
- 5. Do you think these programmes achieve these objectives?
- 6. Do Ajax Cape Town Football Club's programmes have an impact in the community?
- 7. Does the community benefit anything from these programmes?
- 8. Do you take part CSR programmes? What role do you play?
- 9. Do participants in these programmes benefit from them on an individual level?

#### Social Capital

- 10. From these CSR programmes, is Ajax Cape Town FC building **mutually** beneficial relationships with the community? Explain with the use of examples.
- 11. Do these relationships impact the organisation in any way?
- 12. Do these relationships impact the community in any way?
- 13. How in your opinion is Ajax Cape Town FC benefiting from this relationship?
- 14. What in your opinion is Ajax Cape Town FC giving to the community?
- 15. Are you aware of the term **Social Capital?** Do you believe that Ajax Cape Town FC is building/creating Social Capital through their CSR programmes? Why?
- 16. Do you believe this Social Capital or the lack thereof is impacting the organisation in any way? Please explain your answer

17. Do you believe this Social Capital or the lack thereof is impacting the community in any way?

## APPENDIX B – DR TONTS' QUESTIONNAIRE

#### HOUSEHOLD CHARACTERISTICS

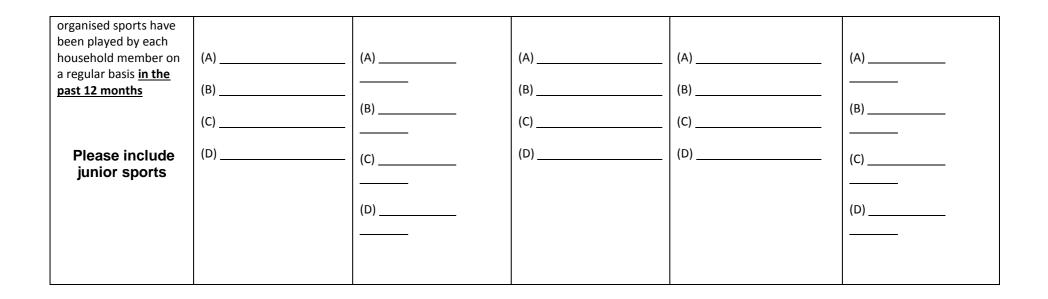
	Person answering the questions (Person 1)	2 <sup>nd</sup> person living in the household (Person 2)	3 <sup>rd</sup> Person living in the household (Person 3)	4 <sup>th</sup> Person living in the household (Person 4)	5 <sup>th</sup> Person living in the household (Person 5)
Age of each person in the household					
Sex of each person in the household Circle answer	(A) Male (B) Female	(A) Male (B) Female	(A) Male (B) Female	(A) Male (B) Female	(A) Male (B) Female
What is the nature of the relationship between person 1 and other household members (e.g. husband, father,		(e.g. Wife, daughter etc.)	(e.g. Wife, daughter etc.)	(e.g. Wife, daughter etc.)	(e.g. Wife, daughter etc.)

friend etc.)?			
Occupation of each person in the household over the age of 15?			
Which wheatbelt shire do you live in? Circle answer	<ul> <li>(A) Carnamah</li> <li>(B) Coorow</li> <li>(C) Mingenew</li> <li>(D) Morawa</li> <li>(E) Perenjori</li> <li>(F) Three Springs</li> </ul>		
What is your postcode?			

Where in the shire do you live?	(A) On a farm (B) In town				
How many years have you lived in this town/shire?	<ul><li>(A) 0-4 years</li><li>(B) 5-9 years</li><li>(C) 10+ years</li></ul>				
Are any household members Aboriginal or Torres Strait Islanders?	(A) Yes (B) No	(A) Yes (B) No	(A) Yes (B) No	(A) Yes (B) No	(A) Yes (B) No

#### PARTICIPATION IN ORGANISED SPORT

	Person answering the questions (Person 1)	2 <sup>nd</sup> person living in the household (Person 2)	3 <sup>rd</sup> Person living in the household (Person 3)	4 <sup>th</sup> Person living in the household (Person 4)	5 <sup>th</sup> Person living in the household (Person 5)	
Which members of this household participate in organised sport?	(A) Plays sport (B) Doesn't play sport					
If any member does not play organised sport, could please indicate why not?	<ul><li>(A) No interest in sport</li><li>(B) Sport is too expensive</li><li>(C) Retired from sport</li></ul>	<ul><li>(A) No interest in sport</li><li>(B) Sport is too expensive</li><li>(C) Retired from sport</li></ul>	<ul><li>(A) No interest in sport</li><li>(B) Sport is too expensive</li><li>(C) Retired from sport</li></ul>	<ul><li>(A) No interest in sport</li><li>(B) Sport is too expensive</li><li>(C) Retired from sport</li></ul>	<ul><li>(A) No interest in sport</li><li>(B) Sport is too expensive</li><li>(C) Retired from sport</li></ul>	
(Circle <u>any</u> appropriate answer)	<ul><li>(D) Injury/ill health</li><li>(E) Too young to play</li><li>(F) Other (please specify)</li></ul>	<ul><li>(D) Injury/ill health</li><li>(E) Too young to play</li><li>(F) Other (please specify)</li></ul>	<ul><li>(D) Injury/ill health</li><li>(E) Too young to play</li><li>(F) Other (please specify)</li></ul>	<ul><li>(D) Injury/ill health</li><li>(E) Too young to play</li><li>(F) Other (please specify)</li></ul>	<ul><li>(D) Injury/ill health</li><li>(E) Too young to play</li><li>(F) Other (please specify)</li></ul>	
Pease list which	(List sports. e.g. cricket, golf, netball)					



# **CHANGES IN PARTICIPATION**

	Person answering the questions (Person 1)	2 <sup>nd</sup> person living in the household (Person 2)	3 <sup>rd</sup> Person living in the household (Person 3)	4 <sup>th</sup> Person living in the household (Person 4)	5 <sup>th</sup> Person living in the household (Person 5)
13. Please list any sports that household members have stopped playing organised sport <u>in</u>	Sport 1 (e.g. Tennis):	Sport 1 (e.g. Tennis):	Sport 1 (e.g. Tennis):	Sport 1 (e.g. Tennis):	Sport 1 (e.g. Tennis):
the past 12 months and the reason that it is no longer played. Please include	Reason no longer played	Reason no longer played	Reason no longer played	Reason no longer played	Reason no longer played
junior sports					

| Sport 2:                   |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Reason no longer<br>played |
|                            |                            |                            |                            |                            |

Sport 3:	Sport3:	Sport 3:	Sport 3:	Sport 3:
Reason no longer played				

| Sport 4:                   |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Reason no longer<br>played |
|                            |                            |                            |                            |                            |

#### **CLUB AMALGAMATIONS**

Are there any sporting clubs that household members participate in that have amalgamated with clubs in nearby towns in the past five years?

- A No (Go to question 15)
- B Yes (Please answer questions 14a to 14f in the following table)

	Sport 1	Sport 2	Sport 3
Which sports that household members participate in have been affected by amalgamation <b>in the past 5 years</b>	1)	2)	3)
Please include junior sports	(e.g. Cricket, hockey, football)	(e.g. Cricket, hockey, football)	(e.g. Cricket, hockey, football)
What are the names of the clubs that amalgamated?			

How many household members participate in this sport?	Write number	Write number	Write number
How many household members <i>stopped</i> playing in these sports as a result of amalgamation?	Write number		
		Write number	Write number
How many household members <i>started</i> playing in these sports as a result of amalgamation?			
	Write number	Write number	Write number
How has the amalgamation affected the	(A) Increased the cost substantially	(A) Increased the cost substantially	A) Increased the cost

total cost of playing the sport, including	(B) Increased the cost slightly	(B) Increased the cost slightly	substantially
all travel and fees?	(C) The cost is much the same	(C) The cost is much the same	(B) Increased the cost slightly
	(D) The cost has decreased	(D) The cost has decreased	(C) The cost is much the same
			(D) The cost has decreased

#### **CLUB CLOSURES**

Are there any sporting clubs that househo	ld members participate in that have fold	led in the past five years?			
A No (Go to question 16)					
B Yes (Please answer questions 15a to 15b in the following table)					
	Sport 1	Sport 2	Sport 3		
Which sports that household members					

Plaase include junier coerte			
Please include junior sports			
	(e.g. Cricket, hockey, football)	(e.g. Cricket, hockey, football)	(e.g. Cricket, hockey, football)
How many household members			
participated in the club before it folded?			
	Write number	Write number	Write number
How many household members <u>stopped</u>			
playing this sport entirely as a result of			
the club folding?			
	Write number	Write number	Write number
How many household members started			
playing for clubs elsewhere following the			
closure of the club?			

	Write number	Write number	Write number
For those household members who now play the sport elsewhere, how far do they have to travel to play <u>home games</u> ? <i>(kilometres)</i>			
	Km	Km	Km
How many household members used to go along to games as a spectator or supporter on a regular basis (fortnightly or more)?			
	Write number	Write number	Write number

## THE IMPORTANCE OF SPORT IN YOUR COMMUNITY

<b>16.</b> <b>17.</b> 1)	What do you think are the three most important aspects of sport in your community?
2)	
3)	

18. Please nominate, in order of importance, the THREE factors that have had the most significant impact on the viability of sporting clubs in your community

Rank (1, 2 or 3)	
	Less sport being played at school
	Population decline
	The loss of young people from the community
	Financial difficulties in the agricultural sector
	Sedentary lifestyles
	An ageing rural population
	The high cost of playing sport

The quality of local sporting facilities
The lengthy travel required to play sport

**19.** To what extent do you agree or disagree with the following statements? (please circle the appropriate answer)

"Sport in an important way of keeping in touch with friends and neighbours"

- A Agree
- B Disagree
- C No opinion

"Sport is important in promoting a sense of community in this area"

- A Agree
- B Disagree
- C No opinion

"Sport helps to promote reconciliation between Aboriginal and White Australians"

- A Agree
- B Disagree
- C No opinion

"Sporting clubs in this district are cliquey and not welcoming of newcomers"

- A Agree
- B Disagree
- C No opinion

20. Do you have any other comments about organised sport in your community or about country sport in general?

If you would be willing to participate in a short (10 minute) follow-up telephone interview about issues rose in this survey, please complete the following:

Name: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

## **APPENDIX C – PARTICIPANTS QUESTIONNAIRE**

**Dear Participant** 

May I ask you to read the information below:

This questionnaire is a tool which has been designed to facilitate data collection for a Masters research study entitled "Social Capital and Organisational Performance: A case study of Ajax Cape Town Football Club". Your participation in the study is voluntary and furthermore if you wish to withdraw at any time, you are free to do so. If you should you wish to not complete the questionnaire, you reserve the right to do so.

If you choose to participate your contribution will be greatly appreciated and any information will be kept in the strictest confidence.

## PERSONAL DETAILS

PLEASE TICK APPROPRIATE ANSWER (\/)					
How old are you?					
Gender	(A) Male	(B) Female			
Ethnic Group	African	Coloured	Indian	White	Other
Highest level of qualification	Primary	Grade 12	Diploma	Degree	Post graduate degree
Occupation	(A)Employed fulltime	(B) Employed part-time	(C)Student	(D)Other	Specify
	Frequently	Once a month	As often as possible	Rarely	Never
Do you participate in sport?			P000.0.0		
Are sporting facilities easily accessible	Yes	No			

What sport(s) do you participate in?	Soccer	Netball	Cricket	Rugby	Other(s) (Specify)
Are you aware of Ajax Cape Town Football Club?	Yes	No			

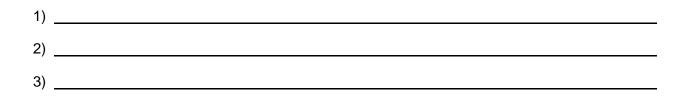
#### PARTICIPATION IN AJAX CT PROGRAMMES

PLEASE TICK APPROPRIATE ANSWER (√)				
	Yes	No		
Does Ajax Cape Town F do CSR programmes in your community?				
	Yes	No		
Do you participate in these CSR programmes?				
	Positively	Negatively	Not at all	
How do these CSR programmes affect the community?				
What problems/issues do these CSR programmes address?	(A)	(B)	(C)	(D)
Is your community giving back to Ajax Cape Town FC as well through these programmes?	Yes	No	Not sure	No opinion
Do you think Ajax Cape Town FC benefits from these programmes?	Yes	No	Not sure	No opinion

. Is there a relationship developed	Yes	No	Not sure	No opinion
between the community and				
Ajax Cape Town FC through the				
CSR programmes?				
If there is a relationship, how would you describe it?	Positive	Meaningful	Negative	Meaningless

#### Benefits of the Ajax Cape Town CSR Programmes

13. What do you think are the three benefits of these CSR programmes for you?



14. What do you think are the three benefits of these CSR programmes for the community?

1)	
2)	
3)	

**15.** Please nominate, in order of importance, rank the **THREE** effects that can be clearly seen from Ajax CT programmes clubs in your community (*1 being the most important*)

Rank (1, 2 or 3)	
	Increased trust and recognition of the club
	Increased influence of club in the community
	Gain information from the club
	Development of beneficial connections
	Identification of talented young soccer players in the community
	Provision of opportunity to play sport
	Mutually beneficial relationship between the community, its leaders and the club
	Increased loyalty to club

16. To what extent do you agree or disagree with the following statements? (please circle the appropriate answer)

"These CSR programmes provide a way of communication between the community and Ajax Cape Town FC"

- A Agree
- B Disagree

C No opinion

"These CSR programmes are important in dealing with difficulties faced by the community"

- A Agree
- B Disagree
- C No opinion

"Through these CSR programmes, the community also gives back to the Ajax Cape Town FC"

- A Agree
- B Disagree
- C No opinion

"Through these CSR programmes, there is a mutually beneficial relationship built between the club and the community"

- A Agree
- B Disagree
- C No opinion

17. Do you have any other comments about Ajax Cape Town FC in general?

This Questionnaire is adapted from Dr. Matthew Tonts' survey for the study: Competitive Sport and Social Capital in Rural Australia (2005)

## **APPENDIX D – AJAX CAPE TOWN FC STAFF QUESTIONNAIRE**

Dear Participant

May I ask you to read the information below.

This questionnaire is a tool which has been designed to facilitate data collection for a Masters research study entitled "Social Capital and Organisational Performance: A case study of Ajax Cape Town Football Club". Your participation in the study is voluntary and furthermore if you wish to withdraw at any time, you are free to do so. If you should you wish to not complete the questionnaire, you reserve the right to do so.

If you choose to participate your contribution will be greatly appreciated and any information will be kept in the strictest confidence.

Signature of participant:

Date:

Signature of researcher:

Date:

## **PERSONAL DETAILS**

	PLEASE TICK A	APPROPRIATE ANSV	VER (√)		
Age					
Sex	(A) Male	(B) Female			
How often are you involved in the CSR Programmes?	Frequently	Once a month	As often as possible	Rarely	Never
What is the capacity of your involvement with Ajax Cape Town FC?	Soccer Player  Professional Under 19 Under 17 Under 15 Other Specify	Volunteer Specify			

What Kind of CSR Programmes are you involved in? <i>(Please provide full answer)</i>			
What role do you play in these programmes?			
(Please provide full answer)			
Are you aware of Ajax Cape Town Football Club CSR goals?	Yes	No	<ul> <li>If yes, please indicate in order of importance the 3 most important goals.</li> <li>Raising educational achievements</li> <li>Creating Pathways to employment</li> <li>Building healthier lifestyles</li> <li>Bringing communities together</li> <li>Reducing Crime</li> </ul>

#### PARTICIPATION IN AJAX CT PROGRAMMES

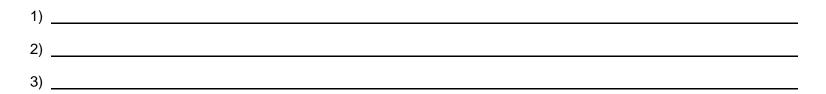
PLEASE TICK APPROPRIATE ANSWER ( $\sqrt{}$ )

	Yes	No		
Does Ajax Cape Town FC deliver programmes to the community?				
Do these programmes have specific goals?	Yes	No	Please indicate what	t these goals are.
How often are the goals and objectives successfully reached?	Always	Often but not always	Rarely	Never
How do these programmes affect Ajax Cape Town FC?	Positively	Negatively	Not at all	
What problems/issues do these programmes address?				
(Please answer in full)	(A)	(B)	(C)	(D)
Is there a flow of information from the community to Ajax Cape Town FC?	Yes	No	Not sure	Undecided
Is the credibility of Ajax Cape Town FC increased through these programmes?	Yes	No	Not sure	Undecided
Do these programmes reinforce the club's identity with the community?	Yes	No	Not sure	Undecided
Do these programmes increase the identification of talented local youth?	Yes	No	Not sure	Undecided

Do you think Ajax Cape Town FC benefits from these programmes?	Yes	No	Not sure	Undecided
As a result of the CSR programmes, has a relationship developed between the community and Ajax Cape Town FC?	Yes	No	Not sure	Undecided
If yes, is the relationship between Ajax Cape Town FC and the community mutually beneficial?	Yes	No	Not sure	Undecided

#### Benefits of the Ajax Cape Town CSR Programmes

41. What do you think are the three most important benefits of these programmes for Ajax Cape Town FC?



42. Please nominate, in order of importance, the THREE benefits of the programmes for Ajax Cape Town FC

Rank (1, 2 or 3)	
	Gain information from the community
	Increased influence in the community
	Increased loyalty and support from the community
	Increased identity and recognition in the community
	Employee satisfaction from participation in programmes
	Increased level of trust by community
	Community satisfaction
	Stakeholder satisfaction

43. To what extent do you agree or disagree with the following statements? (please circle the appropriate answer)

"These CSR programmes provide a way of keeping in touch with the community"

- A Agree
- B Disagree
- C No opinion

"These CSR programmes are important to assist in dealing with difficulties faced by the community"

- A Agree
- B Disagree
- C No opinion

"Through these CSR programmes, the community also gives back to the football club"

- A Agree
- B Disagree
- C No opinion

"Through these CSR programmes, a mutually beneficial relationship has been built between the club and the community"

- A Agree
- B Disagree
- C No opinion

44. Do you have any other general comments?

This Questionnaire is adapted from Dr. Matthew Tonts' survey for the study: Competitive Sport and Social Capital in Rural Australia (2005)

# **APPENDIX E – PERMISSION TO USE QUESTIONNAIRE**



# **Re: Request for Questionnaire**

From:

"Matthew Tonts" <matthew.tonts@uwa.edu.au>

To:

"talentmoyo" <tittie@asiamail.com>

Date:

Aug 28, 2013 5:00:30 PM

Dear Talent,

I have had a good look for the survey, and it was done way back in 2002! So, the file is on an old disk that I can no longer read.

However, I have found what appears to be a draft of what we did. There were a few changes to this as I recall, but it gives you an indication of what was done – it was such a long time ago now.

Note that in addition, there were some extensive interviews, and these were perhaps more important than the survey.

I also attach a paper you may not yet have seen.

Matthew

From: talent moyo<<u>tittie@asiamail.com</u>> Date: Wednesday, 28 August 2013 5:03 PM To: Matthew Tonts <<u>matthew.tonts@uwa.edu.au</u>> Subject: Re: Request for Questionnaire Good Morning

I am following up on my request for your questionnaire as discussed. Please refer to e-mails below.

Regards

Talent Moyo

----- Original Message -----From: Matthew Tonts Sent: 08/07/13 01:24 PM To: talent moyo Subject: Re: Request for Questionnaire

Dear Talent,

Thank you for your email. It is nice to hear that you are doing this work. I'm actually in Ghana at the moment, and will be back in Australia next week. How about I send you the questionnaire and some other papers when I get back.

I'll probably be flooded with emails on my return, so if you hear nothing please just send me a reminder!

Regards

Matthew

From: talent moyo<<u>tittie@asiamail.com</u>>
Date: Wednesday, 7 August 2013 6:39 PM
To: Matthew Tonts <<u>matthew.tonts@uwa.edu.au</u>>
Subject: Request for Questionnaire

Dear Dr Tonts

I am a Masters student at the Cape Peninsula University of Technology in Cape Town South Africa. I am doing my thesis on Social Capital and Sport in an African context. I have read your research titled Competitive Sport and Social Capital in rural Australia published in the Journal of Rural Studies in 2005.I am interested in the structure and scale of the questionnaire that you used in the study. If it is possible, may I get a copy and adapt it to suit my study.

# Regards

Talent Moyo

# Attachments

- Sport Survey draft.doc
- 2010 Sport in Society (Place Identity).pdf

## APPENDIX F - PERMISSION TO USE AJAX CAPE TOWN AS CASE STUDY

**RE: CONFIRMATION TO DO STUDY RESEARCH ON AJAX CAPE** TOWN. out Finalist 200 This letter serves to confirm that Ajax Cape Town FC gives permition to Ms Talent Moyo to conduct her MTECH study research tittled "Social Capital and Organisational Performance" using Ajax Cape Town Football Club as her Case Study business of choice. 2% She is allowed to conduct interviews with the following People : 100 Ajax Cape Town CEO Ajax Cape Town PRO Ajax Cape Town Comm scheme Co- ordinator Ajax Cape Town Comm. Scheme Staff. She will also be reviewing the performance report of the Team and the Ajax development. This report is expected to end in April 2014. 100 Yours in Sport Shooz Mekuto 87 AJAX Cape Town Football Club (PTY) LTD cnr Frans Conradie Drive & Bertie Genade Street Parow 7500 P.O.Box 926 Parow 7499 South Africa Tel.: +27 2I 930 6001 Fax: +27 2I 939 6403 Ermail: info@ajaxct.co.za www.ajaxct.com Reg. No. 1998/024537/07 OLD MUTUAL adidas **ÜRBANWARRI**<sup>®</sup>R

# **APPENDIX G – ETHICAL CLEARANCE**



P.O. Box 1906 • Bellville 7535 South Africa •Tel: +27 21 4603239 • Email: zouityf@cput.ac.za Symphony Road Bellville 7535



Faculty: BUSINESS

At a meeting of the Research Ethics Committee on 4 March 2014, Ethics Approval

was granted to TALENT MOYO (209209992) for research activities

Related to the MTech/DTech: MTech: SPORT MANAGEMENT MANAGEMENT

at the Cape Peninsula University of Technology

Title of dissertation/thesis:	Social Capital and Organisational Performance: A Case Study of a Professional Soccer League (PSL) club in South Africa
	Supervisor: Prof Simeon Davies

Comments:

**Decision: APPROVED** 

Signed: Chairperson: Research Ethics Committee	04 MARCH 2014 Date	
Signed: Chairperson: Faculty Research Committee	Date	_

Clearance Certificate No | 2014FBREC159