COMMUNITY PERCEPTIONS OF A CSR PROGRAMME: A CASE STUDY OF A PROFESSIONAL FOOTBALL CLUB

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Abstract

Professional sport organisations, especially football clubs have been historically characterised by committed and loyal support from local communities an example of such a relationship can be traced to 1888, when the leading Scottish club Celtic FC implemented a unique governance system that included allowing their fans to have a say in the running of the organisation (Carr, Findlay, Hamil, Hill and Morrow, 2000); such an accommodation could be viewed as an early example of a corporate social responsibility initiative at a professional football club. It is therefore not surprising that many present day professional football clubs are increasingly integrating Corporate Social Responsibility (CSR) as part of their overall business and operational strategy in order to facilitate sustainable success in a competitive and often volatile environment. However, little if any research has been conducted in an African context regarding CSR programmes and professional sport organisations. In response to this shortcoming the aim of this research was to conduct a case study of community perceptions of the CSR programme at Ajax Cape Town Football Club who play in the Professional Soccer League (PSL). This study employed a mixed methods design in order to generate both quantitative and qualitative data for a nuanced and relevant data analysis. It should be noted that a number of established high profile European football clubs have recognised the importance CSR, for example Barcelona FC whose exemplary CSR structure has been beneficial to the club, as well as their immediate community (Hamil, Walters and Watson, 2010). Furthermore, it has been previously reported that research can facilitate a better understanding of how and if sport organisations can maximise their organisational performance from their CSR and furthermore also show the social and economic benefits of sport (Moyo and Davies, 2015).

Keywords: Sport, Football, Corporate Social Responsibility, Community, Profit

1. INTRODUCTION

The debate regarding the role and value of Corporate Social Responsibility (CSR) has become an increasingly important factor in the complex socio-economic systems that characterise business in the 21st century. The relevance of CSR has also accompanied the increasing prevalence of sport business in the world economy, in which sport is recognised as a multi-billion dollar industry boasting some of the world’s biggest franchises and organisations. Furthermore, the need for empirical studies of CSR has generated data that allows for analysis of the variables that impact on the organisational performance of business operations, including the sport industry. Moyo and Davies (2015) noted that research can facilitate a better understanding of how and if sport organisations can maximise their organisational performance from their Corporate Social Responsibility (CSR) and furthermore also show the social and economic benefits of sport.

This paper reflects on the findings of a case study that focused on community perceptions of a CSR programme at Ajax Football Club Cape Town in South Africa, who compete in the elite professional division the Professional Soccer League (PSL). Thus the research question concerns in what way(s) does a local community perceive a CSR programme that has been implemented by a professional football club?

The increasing economic relevance of the sport industry is well recognised. A report compiled by
Sport England in 2013 measured the value of Sport in terms of the Gross Value Added (GVA), which includes patterns 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 GVA to the whole of the English economy and this impact placed sport in the top 15 industry sectors in England. An Ernst & Young economic impact assessment of the English Premier League (football) clearly demonstrates the substantive contribution to the GDP by professional football; these researchers reported that in the 2013/14 season alone the Premier League directly, and indirectly via its supply chain, contributed £6.2 billion to UK economic output, £3.4 billion to the UK’s Gross Domestic Product (GDP) and £2.4 billion in taxes to the Exchequer. The report also found that the League supports more than 100,000 jobs (Ernst and Young, 2015).

Whilst the financial and economic indicators have been well reported in terms of the sport industry, especially in the volatile and lucrative professional football leagues of Europe, and the major American professional sports; less research has sought to ask the community what they experience and feel about CSR programmes that has been purposively employed by a professional sport organisation to facilitate and enhance local support.

This paper includes the foregoing introduction that sport organisations cannot ignore CSR. The main outcomes of the study. The conclusion summarises the key findings and elucidates on the main outcomes of the study.

2. LITERATURE REVIEW

Bradish and Cronin (2009) asserted that when reflecting on corporate social responsibility (CSR) in the context of sport that ‘CSR should be regarded as one of the most important components of contemporary sport management theory and practice’. However, while the concept of Corporate Social Responsibility (CSR) has its historical antecedents in the 1920’s, Smith (2011) makes the observation that it failed to become a serious topic amongst business leaders until the 1950s, due to the Great Depression and World War II. As a result it was only in 1951 that CSR found itself as topic of interest when Frank Abrams published an article in Harvard Business Review where he stated that the obligation of business was “to conduct the affairs of the enterprise to maintain an equitable and workable balance among the claims of various directly interested groups, a harmonious balance among stockholders, employees, customers, and the public at large” (Frederick, 2006).

Similar sentiments have been forwarded by Smith and Westerbeek (2004:112-113) who sought to define “Corporate Social Responsibility (CSR) as a company’s response to its social, political and economic responsibilities as defined through law and public policy”. They emphasise that business organisations can also be understood and recognised 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 the community in addition to those of the 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.

Perez (2014) has argued that based on diverse theories such as the institutional/legitimacy and agency theories that the disclosure of CSR information is part of the dialogue between an ethical company and its stakeholders, which furthermore helps legitimise corporate behaviour and thus contributes to generate a positive corporate reputation (Michelon, 2011; Othman et al., 2011; Colleoni, 2013). Based on this idea, the number of CSR reports published in recent years has grown rapidly (Pérez, 2014).

Smith (2011) considers that the first significant scholarly contribution in terms of CSR, namely the book The Social Responsibilities of the Businessman by Howard Bowen was published in 1953, where he proposed that CSR entailed “the obligations of business to pursue those policies, to make those decisions or to follow those lines of action which are desirable in terms of the objectives and values of our society” (Bowen, 1953).

On the other hand one must also be cognisant of a less temperate view of CSR, most infamously enounced by Milton Friedman, who believed that the social responsibility of business is to increase profits (Friedman, 1970). Friedman goes on to say that corporate executives who try to implement morally driven projects, usually referred to as corporate social responsibility are simply engaging in what he calls “hypocritical window dressing”. Friedman affirms his belief that there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud.

It is fair to say that whilst Friedman articulated what may be construed as a conservative, bottom line approach to business, many other theorists have sought to emphasise the relevance and importance of CSR for sustainable business success. In this vein Walters and Tacon (2016) indicate that Corporate Social Responsibility (CSR) has become increasingly significant for a wide range of organisations and for the managers that work within them. This is particularly true in the sport industry, where CSR is now an important area of focus for sport organisations, sport events and individual athletes. Bradish and Cronin (2009) support this view by saying that CSR should be regarded as one of the most important components of contemporary sport management theory and practice, and furthermore the authors Babiak and Wolfe (2006) robustly state that sport organisations cannot ignore CSR.
It is important to acknowledge the position taken by Friedman (1970) that seeks to affirm the argument that the primary purpose of business is to make profits, because this in many ways reflects an established and traditional viewpoint on the role of business. It is also a view supported by Davis, Lukomnik and Pitt-Watson (2006) who echo this sentiment and assert the opinion that business is about making profits, and as a consequence the corporations produce required goods and services that 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 are other and perhaps more progressive and inclusive views on the role of business, and this is particularly relevant for the sport industry. It would be reasonable to assert that professional sport due to its often-unique status in society; with potent brand positioning has increased its engagement in CSR activities. This view has been supported by a number of researchers and academics who suggest that CSR has a positive impact on the business’ socio-economic performance, sighting consumer perceptions, public relations and the overall brand of the business as some of the areas that can be positively impacted by engaging in CSR activities (Walters and Chadwick, 2009; Burke and Logson 1996; Spajaj and Westerbeek, 2010; Servaes and Tamayo, 2013). While this is good news to professional sport businesses, it is relevant to also balance the debate by referring to a more critical observation by Orlitzky (2013) who argues that the increase of CSR in business only brings about increased instability on the stock market, which is seen as causing what they describe as ‘a lot of noise in the market’. Whilst this is point may have some relevance due to the fact that a number of professional sport businesses are listed on the stock market, it should also be noted that according to Harty (2014) major professional football clubs like England’s Manchester United, German’s Borussia Dortmund and Italy’s Juventus are trading well on the New York Stock Exchange, Frankfurt Stock Exchange and Borsa Italiana, respectively.

An understanding and appreciation regarding the role of communities and the success of professional football clubs can be seen as far back as the late 19th Century. Walters (2009) argued that sport has a unique social role and there has been 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 Celtic FC. Circa 1888, where the club acknowledged the community’s pride in their football team and that this could be used as a social tool to correct socio-economic imbalance in the society. In this regard Celtic FC has developed 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), which could be construed as an early form of CSR initiative. This has 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). According to Carr, Findlay, Hamil, Hill and Morrow (2000) this has resulted in Celtic FC being recognised as having one of the most developed community involvement programmes in the United Kingdom.

Even with the conversion of CSR into a business strategy, at its very core CSR remains an act of identifying the business as a socially responsible entity while maintaining sound business strategies (Bradish and Cronin, 2009). Recent studies show that sport businesses provide to have a positive impact on the community around them with their CSR activities. Hamil, Walters and Watson (2010) in their study on Barcelona FC, determined that the club had gained significant benefits from their CSR activities, which were largely derived them having an exemplary CSR structure, that not only provides benefits to their immediate community, but also brings attention to important causes, while at the same time due to the robust economic success of the club it has allowed them to make sizable donations to UNICEF and other philanthropic community based projects. It is important to emphasise that the broader socio-economic and benefits that the club gained through this unique relationship with UNICEF positioned Barcelona FC as one of the most prestigious and socially responsive sport brands in the world. This fact was evidenced by the fact that they paid the UNICEF organisation to have their name on their shirts, instead of benefiting financially from making a lucrative deal with a company for being recognised as their shirt sponsor. This in turn gave Barcelona a special and uniquely progressive point of differentiation from the other professional European sport organisations (Chadwick and Arthur, 2008). It is argued that sport in Africa is no different and also stands to benefit from effective and meaningful engagement with local communities, which has been demonstrated by professional sport businesses like Ajax Cape Town FC who have been shown to engage and benefit from their extensive CSR programmes, which in particular showed that the presence of social capital was mutually advantageous for both the community and Ajax Cape Town FC (Moyo, Davies and Joubert, 2015). In this instance it is worth mentioning that Ajax Cape Town FC has a clear mission, which includes identifying talent, developing and training young players, with the view to promoting them when they are ready. Ajax Cape Town FC also believes 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 Province in South Africa, reaching as far as the Cape Winelands (rural/agricultural region around the city of Cape Town), since its inception (Ajax Cape Town FC, n.d.).

A number of academics have agreed that sport has a unique impact in many of the societies in which it operates; this has led to it being identified in the Millennium Development goals (MDGs) as a vehicle to reach communities and achieve the objectives of the MDGs (Putnam, 2000; Coalter and Allison, 1996; Coalter, Alison and Taylor, 2000). Furthermore, socially responsible businesses have identified this and have sought to take advantage of sport as a tool to carry out their CSR activities. When
sport, especially professional football clubs factor CSR into their business operation, they are also seeking to addresses certain issues in the communities, which Levermore (2008: 185-186) identifies:

- 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.

A good example can be seen from Burnett (2011) who 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.

In summary, sport appears to have demonstrated its capability to act as an effective vehicle for the delivery of CSR programmes, this assertion is supported by the many examples in the sport industry, where individual organisations have taken it upon themselves to initiate and inculcate CSR as part of its businesses and social responsibilities; and by doing so have also enhanced their profile as good corporate citizens. Whilst a number of studies have sought to measure and report on the economic, as well as the social benefits for professional sport clubs, there has been a paucity of research in Africa that has provided information about the perceptions of communities in regard to CSR projects.

3. RESEARCH DESIGN AND METHODOLOGY

The study used a mixed methods research approach to collect empirical evidence. It is contended that a mixed methods approach brings together qualitative and quantitative research approaches in the same research study, and that they can be used successfully in two ways: one can facilitate the other or both can be used to investigate the same phenomenon simultaneously. Edwards and Skinner (2009: 6-7) make the point that in sport management, using the mixed method approach has the potential to strengthen the validity of the results. Mixed methods can be carried out simultaneously or in sequence with either qualitative data being collected before quantitative data or vice-versa. This study followed a parallel design with qualitative and quantitative data being collected simultaneously.

Three data collection strategies were used to collect data, questionnaires, interviews and content analysis. Ajax Cape Town FC officials and community leaders were interviewed on appointment to establish the presence of CSR programmes, along with questions about what were the objectives of the programmes, as well as whether these programmes were providing the service delivery expected by the stakeholders; in other words the communities they were intended to reach. The interviews yielded qualitative data. Community leaders (who are referred to as stakeholders in this study) who could not be reached for interviews completed questionnaires, these questionnaires provided quantitative data. Two questionnaires were designed, one to collect data from Ajax Cape Town FC officials involved in the CSR Programmes being investigated and one to collect data from the participants in these programmes. The questionnaires were adapted with permission from previous research tools developed by Tonts (2005) in his study entitled; “Competitive Sport and Social Capital in Rural Australia”

A questionnaire was designed for participants in these programmes. 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. Questionnaires were distributed at Ajax Cape Town FC and given to the players. The questionnaires provided quantitative data while the more open-ended questions provided more nuanced qualitative insights.

The third data collection method used was content analysis, which included relevant online news articles about Ajax Cape Town FC, along with information from the clubs official website, and performance records and reports obtained from Ajax Cape Town FC. The content analyses 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 the 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.

4. RESULTS AND DISCUSSION

4.1. CSR Programmes

The CSR reports that were analysed as well as responses from interviews and questionnaires confirmed that Ajax Cape Town FC has implemented a number of CSR programmes in the community. Table 1 below is a summary of the programmes identified as well as the scope of the programmes. Stakeholder responses showed that 78% of the community population participated actively in these programmes with the majority participating in an activity implemented by Ajax Cape Town FC at least 2-3 times a week.
Table 1. Ajax Cape Town FC Community Scheme (Ajax Cape Town FC; 2013)

<table>
<thead>
<tr>
<th>Community Scheme Programme</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Ajax Cape Town Kick n’ Learn Soccer Samba</td>
<td>This programme takes place at 140 schools, which extend from Nyanga, Crossroads, Athlone, Rondebosch, Maitland, 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.</td>
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<tr>
<td>2. The Street Sweep</td>
<td>This initiative is based at the Ilamva (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.</td>
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<tr>
<td>3. Ajax Awareness</td>
<td>Used to recruit schools into the kick and learn programme; currently the 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.”</td>
</tr>
<tr>
<td>4. Holiday Soccer Coaching Clinics</td>
<td>This programme takes place every holiday and is run at Ilamva. Over 300 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.</td>
</tr>
<tr>
<td>5. Project 5000</td>
<td>This initiative provides children 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.</td>
</tr>
<tr>
<td>6. Initiative to reduce crime</td>
<td>This programme is run in partnership with the British 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.</td>
</tr>
<tr>
<td>7. Other Initiatives</td>
<td>Ajax Cape Town FC players visit prisons, shopping malls, hospitals and other facilities.</td>
</tr>
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### 4.2. Objectives of Ajax Cape Town FC CSR Programmes

The objectives Ajax Cape Town FC were discussed in the interviews. While the popular response was that Ajax Cape Town FC aimed to make a profit, develop young players and to win the PSL, a common theme of development was identified in the responses of both stakeholders in the community and Ajax Cape Town FC officials. One of the most persuasive and balanced responses, which incorporated both business and community sentiments, was from an Ajax Cape Town FC official who said:

“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”.

Having identified the objectives of the organisation, the question then arises, what are the objectives of Ajax Cape Town FC’s CSR activities. The following objectives were consistently drawn out from the responses of Ajax Cape Town FC officials:

- 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.

### 4.3. Stakeholders’ Perception of the CSR Programmes

The stakeholders, namely the community who formed the basis of the study had a clear perception that the Ajax Cape Town FC CSR programmes addressed a number of issues and problems facing the community. Some of the identified problems and issues were as follows:

- Gangsterism
- Violence
- Healthy living

- Discipline
- Drug and alcohol abuse
- Social behaviour

There was consensus among the stakeholders that a relationship has been created between Ajax Cape Town FC and the community through these programmes. They indicated that the community not only benefits from this relationship, but also gives back to Ajax Cape Town FC. This two-way affiliation is clearly indicative of a mutually beneficial relationship between the community and Ajax Cape Town FC. The results suggested that Ajax Cape Town FC had over time and through its initiatives had gained more trust from the community, and furthermore that the same community gave them loyal support.

Data from both interviews and questionnaires revealed the following perceived benefits that the community receives from Ajax Cape Town FC’s CSR programmes:

- 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.

### 4.4. Mutually Beneficial Relations

Responses by the stakeholders confirmed that CSR programmes directed by Ajax Cape Town FC forged beneficial relations between the organisation and the community. Both the club officials and the stakeholders in the community identified a number of mutually beneficial outcomes:

### 4.5. 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.
4.6. 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.

Whilst there was almost unanimous support for the CSR programmes, it is important to note that there was one dissident response that did not concur with the general and supportive 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 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”.

The criticism contained in this response should be of interest to any sport organisation that wishes to deliver and effective and meaningful CSR project, in as much that the key element is the professional engagement by the players themselves, and if this is seen to be lacking, especially by the community then not only is the CSR programme potentially jeopardised, but there could be serious and negative consequence for the reputation of the club.

5. CONCLUSION

The community responses provide an indication of the substantial and very positive perception of the CSR programme delivered by Ajax Cape Town FC. The overall impression generated by the implementation of CSR activities is that they are beneficial not only to the community, but also for the club. It is suggested that due to the success of the CSR programme at Ajax Cape Town FC and the beneficial impact the community has experienced, that other PSL teams should seriously consider integrating this into their business plans to ensure improved sustainable success.

It is pertinent and relevant to reflect objectively on the results of feedback from the community and highlight some areas of concern for Ajax Cape Town FC; it is also recommended that these insights with other findings from the study be addressed in order to increase their effectiveness as a professional football club. The concerns identified by the study that could have an effect on the performance of the organisation are listed as follows.

- 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 programme.

This study also demonstrated that the CSR programme not only enhanced the perception of the club by the community, but also resulted in desirable benefits for Ajax Cape Town FC, which 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 CSR programme at Ajax Cape Town FC has provided this professional sport organisation with an opportunity to effectively differentiate itself from other professional football clubs in the PSL and furthermore allows them increased access to the market, which in turn gives them an advantage in terms of achieving their organisational goals. However, it is a recommendation of this paper that further research is conducted to provide a more comprehensive understanding of the role of CSR, and the way it is perceived by the local community, when used by a professional sport club to enhance their local support.

REFERENCES


