

Managing a Football League by Using a Transactional Network Structure

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Abstract

This paper presents how, during a period of four years, the management a football league changed its organization structure from vertical to more horizontal, by redesigning it towards a Transactional Network Structure. The transactional network structure allowed more knowledge to be exchanged in the organization and, thus, innovative marketing and management ideas emerged, helping the football league create extra value for its stakeholders, mainly players and fans. The use of a network structure also permitted volunteers to come with interdepartmental ideas as the management units interacted with each other, being bound by the purpose of fulfilling the mission of the league. The mission, which is placed in the center of the transactional network design, guides each volunteer in doing his job.

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JEL classification: M10, M12, M19

1. Introduction

An organization structure describes the jobs and the departments that can be found in an organization, as well as the interconnectivity between them (Popescu, 2010, p. 139). Eventhough strategy and human action are needed to ensure the meeting of goals and success, it is the structure that represents the starting point of future undertakings. An organization structure can have two phases: the static one, when no people are added to it and it is just a conceptual design, and the dynamic one, when people are added to it and work in the organization begins. As Bate et al. write, „by itself, design is an empty vessel, waiting to be filled with people, meanings and actions” (Bate et al., 2000, p. 200).

The organizational chart helps to graphically represent the structure by using various symbols (Nicolescu, Verboncu, 2008). In many cases, the symbols that authors present are lines and rectangles (Burduș, 2005, p. 299). The most common organization structures met in literature and in practice have the form of a top-down hierarchy, in which a top manager or a director is placed at the peak of the structure. When looking at the chart of a top-down structure, a one can observe that underneath the top-manager, there are positions or departments. This

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subordination wants to evidence the fact that the top manager has control (in many cases full control) and holds the main responsibility of what happens in the organization. Figure 1 presents an example of a top-down organizational structure. The lines show the subordination of the department managers in relationship with the top manager.

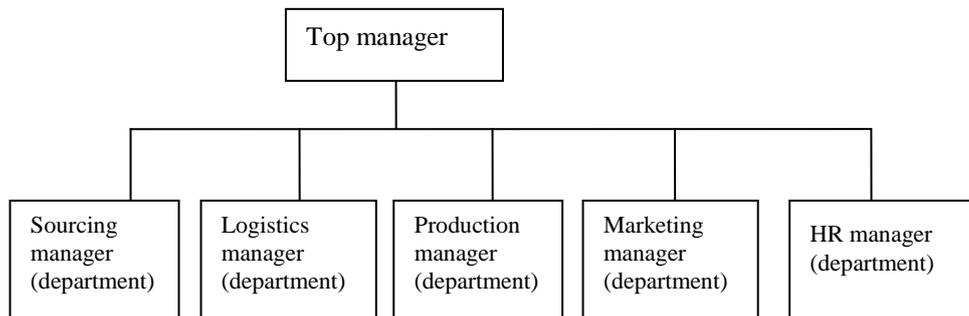


Figure 1: Model of a top-down structure

Knowledge made its entrance in economy and in society in the 1970's, when it began to replace manufacturing industry. Added value was brought to the organization not any more just by the pure process of manufacturing, but mostly by the knowledge that was shared within the organization (Neef, 1999).

For sporting organizations, knowledge management is particularly important and useful, as the main offer that a sporting organization makes to its public consists of a service: the sporting show/sporting performance which the athlete produces and which the fan enjoys/consumes (Constantinescu, 2009; Fullerton, 2007; Opreșan, 2002). As Daniel Bell writes in „The Coming of Post-Industrial Society”, the service-based organizations, thus sporting ones too, are more knowledge-intensive than organizations in the manufacturing industry (Bell, 1973). Bell's argument should encourage sporting organizations to open themselves to knowledge creation and sharing. An easy way to do this is by creating an organizational design and an organizational culture (including the working atmosphere) which to contribute to the development of a learning organization. Redesigning the structure with the aim of sustaining a knowledge-intensive organization would mean reducing the layers in the hierarchy. As Peter Drucker states in his *Post-Capitalist Society*, a secret of obtaining the sustainable development of knowledge-based organizations is to share responsibility with the worker (Drucker, 1999, p. 76). Drucker advocates for eliminating management layers from the structure and transforming the latter one from vertical to as much horizontal as possible. The author pleads that the leadership in the organization has to change according to the mission that needs to be accomplished (Drucker, 1999). As we shall further see, this idea is implemented in Liga Economistului, where tasks are being accomplished by members who are the best in the field that requires

intervention. Moreover, there are times when members of the organization take initiative and offer their help in accomplishing tasks.

The transactional network structure is one of the newest forms of arranging an organization, having developed once with the emergence of the knowledge-based society and of the learning organizations. A characteristic of the transactional network structure is that no more heavy top-down hierarchies are to be found. The departments are not any more subordinated to a top manager, but they interact with each other. Thus, control is softer, while decision making and responsibilities are shared across the organization. A transactional network structure is designed around the mission of the organization. So, each department has to come up with ideas and to make decisions which to bring the organization closer to completing its mission. Improvement occurs easy because the activities of the departments are linked to each other.

In order to exemplify how a transactional network structure can function in a sporting organization, this paper will be based on the real case of Liga Economistului, a football championship played within the Bucharest Academy of Economic Studies. There are ten participating teams, each one representing a faculty of the Academy. It was Iulian Ungureanu, a student who was also member of the Student's Senate, who came up with the idea of the football league. This is why, in the first two seasons (spring 2008 and fall 2008-spring 2009), the league was managed as a project, with its founding member as coordinator of the activities. It was the founding member who made the decisions and who held the responsibilities for them. Among his most important tasks, the following can be remembered:

- Arranging the schedule of the games (choosing date and starting hour of the matches to be played).
- Booking the playfield.
- Collecting the necessary funds for financing the competition.
- Registering the final results and calculating the standings of the championship.
- Buying the champion's shirts and trophies for the winning team of the league.

So, Mr. Ungureanu played the role of a project manager, coordinating most of the happenings in the league. Because each team needed at least a minimum of management, the project manager named a „team manager” for each team. Those managers had to make sure that their teams were informed about the latest happenings in the championship and they were held responsible for gathering the team for the scheduled matches. Some of the team managers offered help in the organization of the league, but it was still Iulian Ungureanu who was responsible for the project.

As the first two seasons were played, the project won many fans. Players wanted the competition to be organized in the following years as well, while followers were brought closer to the event, mainly thanks to the launching of an official weblog. Once with the development of Liga Economistului, the interests

in the championship grew higher. Because they were directly involved in the tournament and they wanted the best for it, some of the players began coming up with ideas which to improve the quality of the championship's management. Next to them, fans volunteered to give a hand of help in the management as well.

Eventhough it had a vertical hierarchical structure, with the project manager at the top, Liga Economistului, as a sporting organization, was since its beginnings open to new ideas. Ideas have always been welcomed, but, in the first couple of seasons, they had to be reported to the project manager, who had to give his point of view upon their feasibility and quality. Such reporting was needed due to the following reasons:

- It was the idea of a person, and that person needed to coordinate the project if he wanted to transform his vision into reality;
- As the project manager was held responsible for the happenings in the championship, it was obvious that he had to give his acceptance before a development proposal was implemented;
- As Liga Economistului was at its beginnings, a manager who to coordinate the project was needed. The control of the manager helped the organization to set its grounds from which it could grow further.

With the years passing by, Liga Economistului reached its fourth season (November 2010- May 2011). The number of the participating players and of the organizers grew. The same happened with the workload and with the managerial activities.

2. Knowledge-based football organization

A transactional network structure would not have been possible if Liga Economistului didn't develop towards a knowledge-based organization, as a learning organization. Alvesson defines knowledge-intensive organizations as those groups of people „where most work can be said to be of an intellectual capital” (2000, p. 1101). In the spectrum of Liga Economistului, let us clarify a possible confusion. As mentioned, Liga Economistului is a football championship, which means that football matches are played according to a pre-defined format and schedules. Football matches are played by teams consisting of players, which means that the latter ones produce a football show for the fans of the competition. The work of the players is not only intellectual, but also physical: while playing the game, they don't only think, but they also kick the ball over the field. On the other hand side, in order to give the players the possibility to work and the teams the possibility to compete against eachother, Liga Economistului needs to be managed by persons who to design the proper environment for teams to play in. The work done by the managers of the competition is just intellectual (excepting some of the managers who are also players in different teams). The referees form a particular category, as some of them appear both on the field (while refereeing games) and in the management of the competition (while contributing with their intellectual skills not only in running the „Refereeing and Laws of the Game Department”, but also

in „adding bricks” in the consolidation and in the sustainable development of Liga Economistului). Table 1 presents the work done by football players, managers and referees in Liga Economistului. Note the arrows which indicate that the work done by referees combine elements that are met in the work of football players and of competition managers as well. After seeing Table 1, it would be appropriate if we talked about both physical and intellectual work in Liga Economistului. But, as this paper aims to research the management of the championship, and not the game of football played on the field, we shall concentrate upon the intellectual work done by managers. Thus, considering the management of the championship, we can talk about Liga Economistului as a knowledge-intensive organization.

Table 1: Work done by football players, competition managers and referees in Liga Economistului

Football players		Competition managers
Intellectual, Physical	1. Type of work	Intellectual
Play football on the field and produce football entertainment for the fans and followers of Liga Economistului	2. How and why is the work done?	Work outside the football field; make decisions in order to create the proper environment in which football teams can play and fans can follow them
Can be seen on the field, playing football	3. Visibility	Rarely seen, are somewhere “behind the scenes”, making sure that the competition functions well. They are seen or “make their voice heard” in management meetings or through management decisions they make

3. Transactional Network Structure

Once with the 2009-2010 season, managerial strict control lessened and more space for creativity and innovation was offered to the organizers. Beginning with the 2010-2011 season, the structure of Liga Economistului can be designed as a transactional network, with the mission of the league at the core of the working processes, as can be seen in Figure 2.

The mission of Liga Economistului, as stated in the Statute of the competition, is to give students and professors the possibility to play football in an organized way. So, each of the six departments that can be seen around in the structure of the competition try to fulfill this mission and to add value to it.

The departments were created in the summer of 2010, before the beginning of the fourth season of the competition, by the volunteers who helped organizing Liga Economistului in the previous years. They came up with the idea of having six departments (Marketing, Multimedia, Logistics, Press, Statistics, Refereeing&Laws of the Game), which were used in the selection process of new volunteers. Messages announcing the recruitment process were delivered to the students of The Bucharest Academy of Economic Studies via different

communication channels. The students who were interested in becoming volunteers were asked to list the departments they would mostly like to be active in. After the finalization of the recruitment process, the volunteers were delegated to the departments. Eventhough vertical hierarchies were set aside, the initial thought was that each department would have a coordinator, who would cooperate with the organizers who had been next to the competition before.



Figure 2: The Transactional Network Structure of Liga Economistului

Such a stewardship management based on seniority was needed, because it was in the interest of Liga Economistului that the newly adopted volunteers did not do mistakes. Stewardship was adopted in order to make sure that the new volunteers understood correctly the mission of the competition and what they had to do in order to add value to it. But, as it proved out, freedom of decision and of implementation was granted rapidly to the new volunteers. For example, a newly arrived volunteer was given responsibility of one of Liga Economistului's social media communication channels. Her task was to copy the news posted on the competition's website and deliver them through Facebook. The first four times, she did this task accompanied by a senior volunteer, who had to make sure that the new volunteer understood correctly what she had to do and how to do it. As she showed that she managed her task without problems, the new volunteer was given free hand in doing her job. No more supervision by seniors was needed. The same freedom of decision was given to other volunteers as well, especially to those highly involved. The coordinators of the departments were kept, not for the sake of reporting, but to reduce much communicational agglomeration. If more ideas came

up within a short period of time, the coordinator of the department would collect them and then the ideas would be analyzed together, in order to reduce the lost of time.

Moreover, new ideas can be freely discussed and analyzed among all the volunteers. The transactional network structure allows every organizer to be part of the decisions proposed or made in Liga Economistului, regardless of his or hers department. So, the welfare of Liga Economistului is placed above everything, and each volunteer tries to contribute to the development of the competition, being guided by the desire to create extra value. Decisions were made based on the interest of the sporting organization.

4. Self-Managed Administrative Team

This mission-orientation led to the appearance of a sort of a Self-Managed Administrative Team, which sustains the Transactional Network Structure. The members of the management team organize their work as they want and - excepting the seniority principle which is still respected, in order to make sure that newer generations of managers do their job with professionalism - have nearly full control over it. During its third, but especially fourth season, Liga Economistului tried to be an organization which to encourage volunteers to express their intellectual skills, as the knowledge of each individual member of the management team seemed to be the best way to develop the organization.

Nahavandi (2006) presents following characteristics of self-managed teams:

- Self-managed teams manage their own work. As already presented, the managerial team of Liga Economistului manages its own work, being guided by the mission which lies in the center of the transactional network structure.

- Team members have different expertise and functional experience. The organizers of the competition are students of the Bucharest Academy of Economic Studies, at different faculties (colleges). They study different specializations, coming with different knowledge into the management of the competition. Almost each one is better at something else, and he or she gets the chance to work in his field of specialization.

- „Team members have the power and resources necessary to implement their decisions” (Nahavandi, p. 210).

- Shared leadership. Not only knowledge, but also leadership is shared in Liga Economistului. Sharing leadership gives the transactional network structure the possibility to produce outcome at its best, because „deciding who leads is far less important than deciding what needs to be done” (Nicolae, 2010, p. 106). It is not that important who is in charge of managing Liga Economistului, what counts is that the competition has possibilities to develop, through the work of the volunteers. Whatever good initiative a volunteer has, it is welcome, and the volunteer takes the role of a leader in implementing his idea. Important is that the work output develops the organization.

Next to the fact that it was an effective way to maintain the commitment of the volunteers (Couture et al., 2001, p. 8), sharing leadership was facilitated by the division of labor. When volunteering for helping in Liga Economistului, the organizers had the opportunity to choose among the six departments, so to choose to do a job that they fitted best to. This is why, many decisions of improvement are intradepartmental. Members of a department are given free hand to make changes they suggest, being assumed that they have more knowledge in the field than the change targets, than other volunteers, because they are part of the department that interacts with that field. For example, since the 2009-2010 season, Liga Economistului has a Statute which contains, among others, the laws of the game and the rules of the competition. A „Refereeing and Laws of the Game” Department was created the following season, consisting of three members. The first contribution made by this department was to improve the laws and the rules in the Statute. As the members of the mentioned department had more knowledge in refereeing than other organizers, they were given free hand to make the changes. They were the ones appointed to lead the changes in what concerned the refereeing in Liga Economistului.

It became tacitly accepted between the organizers of Liga Economistului that whoever had an idea for improvement should present it to the other members and, if the idea was accepted, to implement it. The network structure allowed volunteers to get involved in whatever matters of the competition, not just in those of their department. Here are just some examples:

- a member of the Refereeing department came up with the idea of organizing an online-gaming championship of football during the winterbreak of the 2010-2011 season, so that the fans and the players of the league could be kept next to each other, eventhough just virtually. At a first look, it may seem that this idea should have come from the Marketing department. Actually, it was a member of the Refereeing department who did a marketing job;
- there is at least one member in each department who has access to posting information on the competition’s website. The site is shared amongst the members, who individually make the decision of posting news or information;
- the members of the Refereeing department and one member of the Logistics department had the initiative of making a series of interviews with the football players in the competition. It might look that this was an initiative that had to come from the Press department, but it came from members of other departments.

For a proper development, participation of volunteers with knowledge and management skills has to occur continuously during the season, not just once. First, a high degree of interaction between organizing members has to occur easily (Nahavandi, 2006, p. 203), otherwise knowledge can hardly be shared and decision-making is delayed. In order to facilitate interaction, organizers of Liga Economistului exchange information via e-mail or telephone. In what concerns the relationship with football players, fans and other stakeholders, the official website of the competition is a useful tool both for sending information to the public as

well as for receiving feedback. Next to the webpage, the competition also has an official e-mail account, as well as social network accounts on YouTube (where videoclips are posted) and Facebook (where photos are posted).

5. Conclusions

Sporting organizations, such as football leagues or clubs, have to adapt to the continually changing society they are part of. Being part of a world that is currently characterized by major and fast production and exchange of knowledge (Petrescu et. al, 2010), managers should open their football leagues/clubs in order to let knowledge „flow” in, aided by the redesign of the organization structure, from vertical to flat.

Then, the members of the managerial team need enough resources to implement ideas or decisions. As happened in Liga Economistului, freedom of implementation was gradually shared to volunteers who showed involvement and showed that they cared about the football championship. So, as the competition emerged from a project management approach to a more „shared-management” approach, five volunteers were given access to the website, e-mail and social network accounts of the competition, so that they could send information by themselves (for example, by posting news on the website or by sending e-mails to the stakeholders). Organizers exchanged personal contacts with football players and team managers, so that they could collaborate more open, easier and faster.

Managers should encourage participation from all levels of the football organization. An important finding of this paper is that using a transactional network structure as an organization design allows high degrees of employee/volunteer motivation and of innovation, so of changes with „many elements of novelty” (Nicolescu, Nicolescu, 2010, p. 555). Further research could consist of building a model of implementing a network structure in professional football leagues.

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