FACULTY OF ECONOMICS AND BUSINESS ADMINISTRATION

ROLE OF FOREIGN INVESTORS IN THE CORPORATE GOVERNANCE OF SPORTS CLUBS

CORPORATE GOVERNANCE IN THE EUROPEAN FOOTBALL CLUBS

Aantal woorden/ Word count: 18,218

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Masterproef voorgedragen tot het bekomen van de graad van:
Master's Dissertation submitted to obtain the degree of:

Master of Science in Business Engineering

Main subject: Operations Management

Academic year: 2019 – 2020

GHENT UNIVERSITY

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FOREWORD

This paper serves as my master's dissertation to obtain the degree of Master of Science: Business Engineering at Ghent University.

It was written under special circumstances as it was mainly written during the time when the world was impacted by the COVID-19 virus. The worldwide pandemic this virus brought along caused Belgium, among other countries, to go into a lockdown. This lockdown, at its worst, meant: a bare minimum of social contact, online classes, closed libraries and faculties. This lockdown definitely impacted the writing of this dissertation in more ways than one.
Firstly, the research phase proved to be difficult due to the libraries being closed. Luckily Ghent University tried to make it possible for its researchers to get online access to as much information as possible (academic papers, private company databases, etc.). Despite the efforts of the University, some books that were needed for the literature review section of this paper could not, or only partially, be consulted.
Secondly, the lockdown preluded a mentally difficult time for a lot of people. Social contact was reduced to a minimum and the pressure of succeeding academically was higher than ever, largely due to the indispensable practical changes and the ambiguity and uncertainty surrounding these. Consequently, a lot of students felt demotivated and unsure.

Despite these setbacks I am glad and proud to be able to call this dissertation mine, but I definitely could not have achieved this alone. First of all, I would like to thank my supervisor Prof. dr. Abigail Levrau for her guidance and feedback. Secondly, I would like to thank my parents for giving me the opportunity to attend Ghent University and for supporting and advising me all these years. Finally, a large thank you to my closest friends for getting me through the toughest moments.

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1. Introduction

As far as sports industries, go it is hard to argue that there is one that speaks more to the imagination than the football industry. Both from a glory and fame perspective, as well as a financial perspective, it is hard for other sports to compete with football. For the 2017-2018 season the European football industry market size was estimated at 28.4 billion Euros (Deloitte, 2019a). Financial records have been broken year after year. The prime example of this is Neymar Jr.'s move from FC Barcelona to Paris Saint-Germain for the staggering amount of 222 million Euros (Laurens, 2017). The broadcast rights for the Premier League have risen to 9.2 billion Pounds for the three seasons between 2019 and 2022 (USA Today, 2019). While the price for these rights stood at 5.4 billion Pounds for three seasons back in 2015 (Mortier, 2018).

This trend is not only visible in the biggest European football leagues but also in the smaller competitions. The broadcasting rights for the Belgian Jupiler Pro League for example have risen from 80.9 million Euros in 2018 (Deloitte, 2019b) to 103 million Euros in 2020 (Vandewalle, 2020). The revenues from the clubs in the Jupiler Pro League have increased by 4 percent annually between 2015 and 2018 (Deloitte, 2019b). There is no one that can deny that there are serious amounts of money going around in the football industry.

These impressive financials also beg the question where does all this money come from? How is it possible that PSG can pay such a monstrous amount of 222 million Euros for just 1 player? To put this number into perspective, 222 million is about 11 times the operating profit of Club Brugge, the current Belgian champion, in 2018-2019 season (Club Brugge, 2019). The reason for this is the increase in the number of outside investors as they have found that football clubs can become sources of profit if managed correctly. "Football clubs were once famous for being notoriously poor investments, with local benefactors pumping their fortunes into a loss-making team out of devotion rather than in search of a profit. In recent years, the stock market has proved this received wisdom increasingly wrong." (Johnson, 2018). Of course, these are not only domestic investors but also foreign businessmen, corporations or private equity firms. Mainly these foreigners have not gotten a warm welcome by supporters.

Following this some of the big European leagues have seen an increase in outside investments over the years (Premier League, Ligue 1, Serie A) while others try to protect themselves from outside (foreign) investments (Bundesliga). The reason for the interest in these big competitions is pretty

clear: there is a lot of profit to be captured. Although the smaller competitions might seem less attractive following the same logic, we still see more and more outside investors in smaller competitions (Jupiler Pro League, Proximus League, Eredivisie). There are multiple possible reasons that can explain this. Firstly, different business models have emerged in these competitions. Secondly some of the smaller competitions have specific characteristics that attract investors. Both these reasons will be explained in more detail later.

There is a flip side to this coin however, as mentioned earlier: football clubs can be a source of profit if managed correctly. Mainly the latter part of this phrase is of the essence. The management of football clubs has been proven to be absolutely crucial to their success. Not rarely have cases of bad management been the cause of some of the biggest scandals in football history. The most infamous one must be the Calciopoli Scandal of 2006. An investigation in the Serie A brought to light the bribery of refereeing official by some of the most prominent clubs in the league (Hafez, 2019). Here in Belgium we were hit with “Operatie Propere Handen” in late 2018. A similar investigation into match fixing, bribery and money laundering (Sporza, 2019). These examples are just two out of many that are due to unethical management.

These scandals raise one particular question that is applicable to almost all non-executive stakeholders: How can we (investors/governing bodies/governments/ supporters/ …) effectively control the activities of our club? Or as football clubs are more and more being run like business/corporations we can rephrase the question as follows: How can we govern the actions of our corporation? An effective corporate governance strategy is of interest to all these stakeholders and as the football industry is maturing more and more people are realizing and utilizing it.

The tools to implement corporate governance are different for the different stakeholders. Governments or governing bodies might impose regulations or codes of conducts upon the clubs. The impact of the supporters on the other hands usually depends on the level of ownership they have. Some clubs are majority-owned by its supporters and they therefor have an indirect impact, through board elections, and sometimes even a direct impact on the activities of their club. Prime examples of this are the so-called “Socio Owned Clubs” in the Spanish La Liga which include the big clubs Real Madrid and FC Barcelona among others (Khan, 2010). The case of the German Bundesliga is even more extreme. All clubs that wish to play in this league need to be owned by their supporters for at least 51 percent (Bundesliga, 2018). On the other hand, privately owned clubs are still influenced by its supports, perhaps to a lesser extent but this depends from one club to another. The latter is more dependent on the goodwill of the club to respect its supporters wishes. Although the

supporters cannot really enforce these wishes directly as they are not owners of the club, the owners and managers of the club are aware of the fact that a football club is nothing without its supporters. Despite the lack of power of the supporters within the organization of the club, there are ways they can enforce their wishes. There have been cases of fans protesting or boycotting their own club due to dissatisfactions about the club's owners or management (Foster, 2016). Finally, the owners of the club have the biggest impact on corporate governance and have the most freedom to operate. Apart from complying with the law, the specific league regulations and the most important wishes of the supporters they have complete control over the club. They can appoint the Board of Directors and its chairman who, in turn, appoint the management team that is in charge of the daily activities of the club.

This study will mainly focus on the impact on corporate governance by this last group, the owners/investors. More specifically we will look at the differences between clubs with domestic and foreign owners. It is a continuation on the work done by Mortier (2018). The core of the study remains the same: a quantitative study into the composition of the Boards of Directors of professional football clubs. The underlying research question will investigate if the Boards of foreign owned clubs differ significantly from the ones of domestically owned clubs. This study is vastly different from the one from Mortier in both deepness, extra quantifiable parameters of corporate governance have been added, as well broadness, the research was applied to five European football competitions instead of one.

In what follows we will first unfold a literature review to describe the landscape in which this study is set and to specify certain crucial aspects that were needed to conduct the research. Firstly, the broad concept of corporate governance will be explained as well as the theories surrounding it. Secondly the football industry as a whole will be looked at. How it got to be as large as it is today and why it is drawing the interest of more and more investors. Finally, we will put the first two parts together and state why corporate governance is needed in the football industry as well as define the parameters of governance in the football industry that will be investigated and the hypotheses we will test regarding these parameters.

After the literature review, the data and research design will be discussed. Firstly, the acquired data and the method of its collection will be touched upon. Secondly the data is discussed generally, i.e. without splitting up the clubs with foreign owners from the rest. This will be done for each football league separately. The final part of this section is about the research design. Here the statistical methods used to test our hypotheses will be explained.

Following the data and research design will be the part containing our empirical findings. For each league the population will be split up in clubs with foreign owners and clubs with domestic owners. The tests used are designed to discover if there is a significant difference regarding the investigated parameters between these two groups. Possible reasoning or theories that can explain these outcomes will also be discussed. Finally, the same research will be conducted on the European football industry as a whole by combining all the data from the separate leagues.

Succeeding this part there will be a conclusion. A recap of the results of the research and the most remarkable findings will be listed.

Finally, this paper will end with a part about its limitations and the possibilities for future research.

2. Literature review

2.1. Corporate governance

Before the impact on corporate governance in European football clubs can be discussed some terms and aspects need to be defined, clarified and accentuated. The most apparent term that needs to be define must be “corporate governance”. One might have an idea of what corporate governance means but it will soon be clear that the complete and detailed definition is much more intricate.

2.1.1 Origin and definition

To completely understand the term, we will start at the very origin. The words “corporate” and “governance” can both be tracked down to ancient times. Corporate finds its origins in the Latin noun “corpus” and the derivative verb “corporare” which respectively translate into “body” and “to make into a body”. Governance on the other hand has roots in Greek “kybernao” and Latin “gubernare”, both verbs that translate to “to guide”, “to steer”, “to control” or “to govern” (Kiousis, 2016). Based on this we can somewhat define corporate governance or the act of governing a corporation as the act of controlling or guiding something that was made into a body. This vague definition is merely the first level of understanding what corporate governance actually entails but nevertheless crucial.

With this knowledge we can construct the most rudimental definition of corporate governance but surely a more nuanced description can be found. To find this we have to go back to 1980’s and 90’s when business professionals and academics really started to fathom the importance of what would soon be widely known as corporate governance. “According to Blair (1995), the main reasons were the increasing, at the time, competitiveness between companies in Japan and Germany, the inflation of compensation packages to managers and executives and the dissolution of the Soviet Union and socialist economies in Eastern Europe.” (Kiousis, 2016). But the real underlying root problems were already detected by Berle & Means (1932). They viewed conflicts of interest among stakeholders that sprouted from, on the one hand, a difference in goals and preferences of these stakeholders and on the other hand, the presence of imperfect information regarding each other’s actions, knowledge and preferences. They addressed these conflicts by examining the separation between ownership and control (Gillan & Starks, 2003). Corporate governance can thus be seen as a way to deal with these conflicts of interest. Later it will also become clear that corporate governance is mostly used in an effort to balance ownership and control.

Following this was the creation of a long list of definitions of corporate governance, each highly dependent on the writer's interpretation as well as the level of maturity of corporate governance activities at the time of writing. A first one was given by Shleifer & Vishny (1997): "Corporate governance deals with the ways in which suppliers of finance to corporations assure themselves of getting a return on their investment.". This narrow interpretation of corporate governance focusses solely on the investor's perspective and his/her search for a positive ROI. Later La Porta, Lopez-de-Silanes, Shleifer, & Vishny (2000) stated that "Corporate governance is, to a large extent, a set of mechanisms through which outside investors protect themselves against expropriation by the insiders.". These insiders might be controlling shareholders, managers, other executives, …. This last description still focusses on the investor's perspective, but the applicability of corporate governance was expanded. In the twenty first century some broader definitions arose that did not confine themselves to the perspective of the investor. Firstly Gillan & Starks (2003) defined corporate governance as "the system of laws, rules, and factors that control operations at a company." They made the distinction between internal (board of directors, incentive pay, etc.) and external (law, regulation, etc.) governance tools. Hereby it is implicitly made clear that corporate governance is not a tool exclusively for investors. Finally, the ASX Corporate Governance Council (2014) describes corporate governance as "the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within corporations. It encompasses the mechanisms by which companies, and those in control, are held to account.". This final definition might be the most complete one as it does not restrain itself to the perspective of the investors and it includes the aspects of authority, control and accountability.

As was emphasized in the last paragraph, it is important that the global definition of corporate governance does not assume a certain perspective. This is because corporate governance changes depending on the perspective that is considered. The main factors that could change are the goal of corporate governance and the tools by which corporate governance is exerted. Take corporate governance as viewed by the investors versus the government for example. From the investor's perspective, the goal might be to ensure, as mentioned earlier, a positive return on investment. The tools or methods by which they could achieve this include the composition of the board of directors, managerial incentives, by-laws. On the other hand, governments might be wishing that companies act according to certain values and norms. Therefor they might impose certain laws or regulations (Gillan & Starks, 2003). Even more important than the laws and rules themselves are the penalties and repercussions attached to them as the ability to enforce these repercussions represents the authority of the government. In addition to this, the absence of a given perspective in the definition of corporate governance is needed because corporate governance accounts for all stakeholders.

Besides investors, managers and governments also employees, minority shareholders, customers and communities have interest in governing the organizations that have an impact on them. With this remark, it is also clear to see how corporate social responsibility is part of corporate governance (Mortier, 2018).

2.1.2 Theories

Another aspect that is crucial to completely understanding is the underlying, behavioral theories which form the foundation on which the need for corporate governance is built. Numerous theories have come forth, mainly from the field of economic psychology, all regarding the behavior of people in a corporate environment. Alongside these theories is a vast list of studies to validate them: Alchian & Demsetz (1972), Jensen & Meckling (1976), Davis, Schoorman, & Donaldson (1997), Abdullah & Valentine (2009), Al Mamun, Yasser, & Rahman (2013), etc. Most of which will be used, to varying extents, in the following discussion of the three main theories regarding corporate governance. The theories discussed are the agency theory, the stewardship theory and the stakeholder theory. Note that while other theories have also emerged, these will not be discussed as we will focus upon the ones that are the most widely accepted.

The first and perhaps most commonly used theory to explain the need for corporate governance is the agency theory. The agency theory starts from “the relationship between the principals, such as shareholders and agents such as the company executives and managers” (Abdullah & Valentine, 2009). In this depiction of a corporate environment, the principal, shareholders/owners/investors, hires some agents, executives and managers, to control its corporation. The reasons for the principal to separate ownership and control can vary (lack of skill, lack of time, efficiency, etc.). By doing so the principal expects the agents to always act in the interest of the principal. It is this expectation however that is not fully lived up to and this consequently causes problems. These problems were described in more detail by Jensen & Meckling (1976) and Abdullah & Valentine (2009). Jensen & Meckling (1976) state that “If both parties to the relationship are utility maximizers, there is good reason to believe that the agent will not always act in the best interests of the principal.”. Basically, there is an unalignment of interest between the principal and the agent.

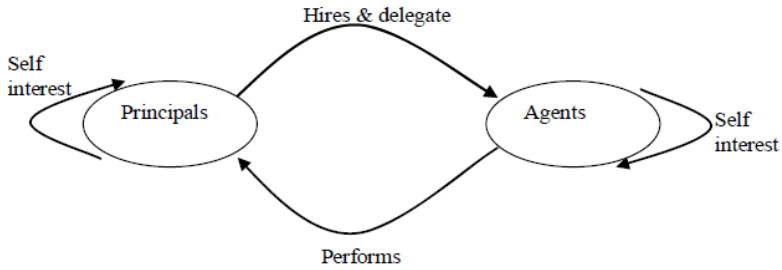

Figure 1: The agency problem (Abdullah & Valentine, 2009)

Consequently, the principal will try to limit the divergences from its own interest by imposing rules upon the agents or provide incentives for the agents, etc. When comparing this to the definition of corporate governance we can state that the principal will try to exert corporate governance upon its agents. For an in-depth explanation of the costs that these actions incur (i.e. the agency costs), we refer to Jensen & Meckling: Theory of the firm (1976). This theory has gained popularity over the years as it focusses heavily on the protection of investors. A prime example that validates this theory is the Enron scandal which will be touched upon later.

The second theory surrounding corporate governance is the so-called stewardship theory. The definition of this theory was given by Davis et al. (1997) and reads: "a steward protects and maximises shareholders wealth through firm performance, because by so doing, the steward's utility functions are maximised". This theory completely contradicts the aforementioned agency theory as it assumes that the agents, replaced in this theory by stewards, are intrinsically motivated to act in the best interest of the company and consequently in the best interest of the principal rather than in their own best interest. Not only are the stewards satisfied and motivated by their organization's success, the performance of their company also impacts the perception of their individual performance (Daily, Dalton & Canella, 2003). Stewardship theory stresses on the autonomy of the stewards and the minimization of the costs of monitoring and controlling behavior (i.e. the cost of corporate governance). Moreover the stewardship theory even promotes CEO duality (i.e. the unification of the role of the CEO and the chairman of the board of directors), an aspect that will be discussed more thoroughly later in this paper, as to reduce agency costs and to give this steward a more prominent role (Abdullah & Valentine, 2009). Note that this theory does not suggest that less corporate governance is needed, in comparison to the agency theory, but rather a different form of corporate governance. Where agency theory uses restrictive measures, stewardship theory uses permissive and incentivizing measures.

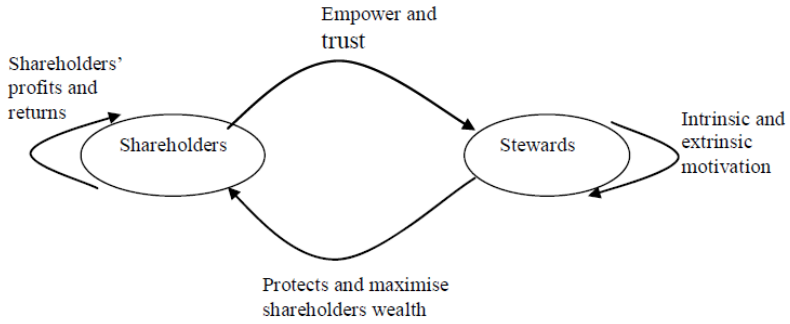

Figure 2: Stewardship model (Abdullah & Valentine, 2009)

Finally, the stakeholder theory is a theory that surpasses the one-dimensionality of the two previous theories. The two previous theories focused on the one-dimensional relationship between the principal and the agents or the shareholders and the stewards. Stakeholder theory however incorporates "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Abdullah & Valentine, 2009) and is thus multi-dimensional. These people form a network of relationships and they all have their specific interests. This theory focusses less on the way one's interest can be acted upon but more on the importance of each stakeholders' interests. There is reason to believe that this theory came to be because of the growing social awareness of corporations. No longer are the only important stakeholders the investors and the management but also employees, customers, communities, etc. have gained a significant voice in the corporate world. Both agency theory and stewardship theory can even be seen as a subset of the stakeholder theory as the investors-management relationship is part of its network of relationships. Earlier we touched upon the Enron scandal as it being the prime example of an agency problem but in fact, if we look at all the consequences of the scandal, it is also clear to see how it fits into this theory as well. Although the main impact was, as will be shown later, indeed on the investors and the management, there were also a lot of regular employees that lost their jobs, suppliers that lost contracts, customers that were affected, etc. The following illustration clearly shows the multi-dimensionality as opposed to the two previous theories.

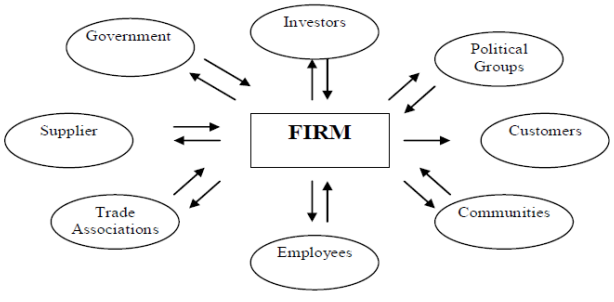

Figure 3: Stakeholder model (Abdullah & Valentine, 2009)

These theories try to paint the corporate landscape so that it is clear to see how corporate governance can be of use. It is important to note that these theories are definitely not mutually exclusive and might also not even be collectively exhaustive. This means that multiple theories can simultaneously be applied to a given organization.

2.1.3. Relevance

Finally, the relevance of and need for corporate governance has been prevalent for years and the best cases in point are the numerous business scandals that have arisen. The most infamous example probably being the Enron scandal. After a dramatic drop in share price, the end of Enron was made official when it filed for bankruptcy in December of 2001. This bankruptcy resulted in million-dollar losses for its investors and led therefor to a fraud investigation by the FBI which, to this day, is still the most complex white-collar crime investigation in the bureau's history. Top officials were accused of enriching themselves through intricate accounting structures and, while doing so, eluding and misinforming its investors. Finally, the investigation led to the convictions of nearly Enron's entire executive management team (FBI, n.d.). More recently we have seen the Volkswagen scandal or "dieselgate" in 2015, the Apple scandal or "batterygate" in 2017 and the Facebook scandal regarding privacy and GDPR in 2018 (IG, 2018). These just go to show how important corporate governance still is to this day in every type of corporation.

2.2 The evolution of European football

2.2.1. Origins

Football, also called association football or soccer, which is now known as the most popular sport in the world with an estimated fan base of more than 4 billion people (Sawe, 2018), has a history that goes back millennia. From the first resemblances in the Mesoamerican and Chinese cultures to the Ancient Greece and Rome, ball sports have around for ages. It is the Romans though who brought football to Britain (Britannica) during the expansion of the Roman Empire. In Britain the game, as we know it, would be developed. It took ages and some bans but in the second half of the 19th century football really started to take its form. At that time the game was mainly popular in public schools and among the working class. Due to the industrialization and the presence of railroads, more people could come together to see the matches and the first football clubs were founded. Not long after the first instances of good players being paid to play and the sales of tickets for the matches arose. This led to the legalization of professional football and consequently the foundation of the first Football League. The success of British football quickly spread to other countries and soon the world fell in love with the sport. Other countries started to found their own football leagues and after the foundation of the Fédération Internationale de Football Association (FIFA) in 1904 the path was paved for international football competition. Among which the Olympic Games, the FIFA World Cup and the UEFA Champions League are the most notable ones (Fooballhistory.org, n.d.).

2.2.2. The roaring nineties

Although the game, at the time of the first World Cups, had already changed drastically since the time of the Romans. It was still nowhere near the globalized industry it is today. The turning point of modern football lays somewhere in the 1990's. The last decade of the millennium saw a drastic change in football as it marks the start of a period of unprecedented commercialization. Moreover, this commercialization has increased ever since and there is no reason to believe that it will stop soon – except maybe the current outbreak of the Covid-19 pandemic but the consequences of this remain to be seen-. The nineties are were an impactful era for the football for multiple reasons which will be discussed.

The first of which being the wider acceptance of the sport in general. Previously football, mainly British football, had gained the bad reputation of being a sport loved by hooligans and criminals. This reputation peaked in the eighties and made football unpopular with a vast majority of people. It is

believed that this aggression sprouted from the societal problems at the time and football hooliganism was merely a way to vent frustrations that had little to do with the sport itself (Parkinson, 2018). With the year 1990 closing in this hooliganism moved away from the stadiums and the restoration of football's reputation commenced. Despite this, tensions were still high for the Italian World Cup of 1990 and hooliganism was still feared. Contrary to the expectations, few fights broke out and the game on the pitch finally got the attention it deserved. For the British supporters especially, the moment Paul Gascoigne, nickname Gazza, cried during the semi-final against West-Germany will forever be remembered. With the focus on what happened on the pitch rather than in the stands, almost all people, also the ones who previously depicted football as a sport for scums, recognized the beauty of the sport. (Parkinson, 2018) This transformation broadened football's fan base immensely which in turned paved the way for the further commercialization of the sport.

The second change that came in the nineties was the internationality of transfers. Previously foreign players were a rarity in most football leagues but in the nineties, this started to change. The increase of foreign players in football competitions not only led to changes in the playstyle on the field but also induced an increase in the amount of transfers. To illustrate how far we have come since the beginning of the nineties, today a lot of leagues have felt the need to set rules regarding the minimum number of domestic players that should be in a club.

Thirdly 1995 was a crucial year in the evolution of football as it was the year of the famous Bosman ruling. Much like nowadays, clubs could demand a transfer fee if players wanted to move to another club at that time. But the nuance lies in the fact that clubs could also demand a fee if the player was at the end of his contract. Jean-Marc Bosman, a player at the end of his contract with RFC Liège, was prevented from moving to USL Dunkerque in 1990 as his current club refused to let him go because Dunkerque was not willing to pay a transfer fee. Consequently, he sued RFC Liège, the KBVB (the Belgian football association) and the UEFA for restraint of trade. In 1995 the European Court of Justice ruled in favor of Bosman as it deemed the system to place restrictions on the free movement of workers (Brand, 2015). The Bosman ruling majorly impacted the football world as it increased the power of the players, which in turn let to higher wages. These higher wages led to an increasing rich-poor gap among football clubs as the best players only wanted to play for the rich clubs who offered better wages. This trend of ever-increasing wages is easily visible when you look at the history books. In 1994 Chris Sutton made 10.000 Pounds per week. A year later, and just months before the Bosman ruling, Dennis Bergkamp joined Arsenal. The Dutchman was reportedly earning 25.000 Pounds per week, which was an astronomical amount at the time. In the year 2000 Roy Keane was making 50.000 Pounds per week and Sol Campbell doubled that record just a year later (Fraser, 2016). At the

time of writing Lionel Messi is believed to be the highest earning footballer in the world for a staggering amount of 500.000 Pounds per week (Grounds, 2020). That is 50 times the amount Sutton made 26 years earlier. These exuberant wages have been one of the most important factors in the commercialization of the football industry.

Additionally, the nineties were also the era in which sports broadcasters flourished. In 1990 Sky Sports was founded. The broadcasting company would be the first and only broadcaster of the Premier League when it first saw the light of day in 1992. At that time Sky Sports paid 304 million Pounds to broadcast the first 5 seasons of the Premier League (Parkinson, 2018). In comparison, for the 3 Premier League seasons between 2019 and 2022 Sky Sports and BT will pay 4.464 billion pounds for the broadcast rights (Sky News, 2018). The fact that broadcasters are willing and able to pay such astronomical amount of money can only mean that the demand to watch football is tremendous.

These reasons, together with the increase in sponsorship contracts, are at the roots of the globalization and commercialization into the billion-dollar football industry we know today. The money involved in the game is of a different order compared to over 30 years ago. Financial records have been broken year after year. Examples like the broadcasting rights of the Premier League, the wages of Lionel Messi and the transfer of Neymar Jr. are just the tips of the icebergs and it is an iceberg that is expanding in size rather than melting away.

2.2.3. The business side

In the last paragraph we discussed the journey the football industry went through. This had a major effect on the way football clubs were run. This paragraph will touch upon these changes as well as how the football business is becoming more and more like regular business but still very different in some aspects.

A first major remark that follows from the last paragraph is about the sourcing of funds. The way football commercialized was thoroughly discussed but we did not touch upon the question: “Where does all this extra money come from?”. The football clubs have seen both an increase in revenue and in capital over the years and it is important to look at the source of all this extra cash. The most important sources of revenue for football clubs are, as can be found in the Football Money League 2020 (Deloitte, 2020), commercial revenue (selling of merchandise, sponsorship contracts, etc.), broadcasting revenue and matchday revenue (ticket sale). If we look at who actually pays for this, it

is clear to see that the fans pay most of this. Ticket sales and the selling of merchandise is straightforward and although broadcasting revenue is paid by the sports broadcasters, the money indirectly comes from the fans who pay to watch the game. The same can be argued for the sponsorship contracts. All in all, fans are having to pay more and more for the sport they love, and this has not gone down well at times. More and more fans are addressing their dissatisfaction with the current state of the sport. This has resulted in fan protests not being a rarity anymore (The Guardian, 2016; FSA, 2019).
The situation regarding capital is a bit different. This money mostly comes from the investors although this can differ between leagues as well as between clubs. Sometimes the fans themselves are shareholders/investors but they rarely supply the majority of the investments. The increasing influence and dominance of outside investors has also seen its fair share of adversity (Tamsut, 2020).

This last fact, the rise of outside investors, is one of the biggest consequences of the commercialization of the football industry. As more money started to go around, more investors showed interest as they realized there were profits and hence a return on investment to be made. These investors in turn are responsible for the further commercialization of football and that is how the ball keeps on rolling. The goal of these investors was clear. They invest into the football clubs to achieve a positive return or a profit. Earlier King (1997) has stated that these investors or the new directors as he calls them, that emerged in the eighties but mostly in the nineties, share two defining features. Firstly, they see the football club as "an independent, regionally situated investment opportunity" (King, 1997). Secondly and following from the first feature: "Because the football club is regarded as an investment opportunity in itself it is essential that the football club is profitable." (King, 1997). The perception of a football director went from being a philanthropic hobbyist to a business professional.

As a consequence, the way clubs were managed needed to change accordingly. In fact, football clubs started to operate more like regular businesses in the sense that making profit is always the ultimate, but not the only, goal. In that light, some of the big European leagues have seen an increase in foreign investments over the years (Premier League, Ligue 1, Serie A) while others try to protect themselves from outside (foreign) investments (Bundesliga). The reason for the interest in these big competitions is pretty clear: there is a lot of profit to be captured. Although the smaller competitions might seem less attractive following the same logic, we still see more and more outside investors in smaller competitions (Jupiler Pro League, Proximus League, Eredivisie). There are multiple possible reasons that can explain this. Firstly, different business models have emerged in these competitions. Clubs that focus on buying players and selling them later at a higher price are no longer uncommon.

One peculiar situation is the one at K.A.S Eupen. This club is owned by a Qatarese football academy and the theory that they bought the club to train Qatarese players in Belgium for the upcoming FIFA World Cup of 2022 in Qatar and to accelerate the careers of young talents coming from their own academy while waiting to reap the benefits from their impending transfer to a larger European club, is widely accepted. Secondly some of the smaller competitions have specific characteristics that attract investors. The Belgian competition for example is characterized by clubs that are relatively cheap to buy, a good image due to the success of the Belgian national team and the reputation of its youth development centers, the few restrictions on (foreign) players and its low cost nature (low minimum wages and tax breaks) (Smith, 2017).

Even though these similarities with regular business have become increasingly clearer, there are some fundamental differences between the football industry, or other sports industries, and the more regular industries. The biggest difference is the fact that football is all about emotion. Fans make emotional decisions rather than rational ones. This is the root of some other, perhaps more apparent, differences between the football industry and the regular ones. An example of this, which was already touched upon by Mortier (2018), is the fact that football is characterized by loyalty. The vast majority of fans would not support another club because they are more successful or their ticket price is lower. These decisions would make rational sense, but this is not what football is about. On the other hand, a lot of grocery shoppers will happily go to a different supermarket if they drop their prices merely a couple cents below the price of the competitors.

Another difference comes from the fact that competition is crucial to the football experience (Smith & Le Jeune, 1998). For instance, a normal company might seek to maximize its profits by creating a monopoly where it is the sole supplier of value. In the context of football industry this is not desirable and even counterproductive. A thriving football league needs an exciting competition because fans are not inclined to watch a predictable one (Vrooman, 1995). This might be the success factor of the Premier League, as Mortier (2018) already mentioned. This league is characterized by a relatively large group of clubs who contend for the top spot every season. The so called “Big Six” includes Arsenal, Chelsea, Liverpool, Manchester City, Manchester United and Tottenham Hotspur. On top of that, it is not unthinkable that another smaller team surprises everyone and upsets the competition by placing above some of the bigger clubs or even win the league. The prime example here is the story of Leicester City FC. The club miraculously won the Premier League in the 2015-2016 season while it battled against relegation the season before and had only promoted from the Championship yet another season earlier. Research on baseball games showed that matches between clubs of comparable level or highly unpredictable matches were attended and viewed by

more people (Knowles, Sherony & Haupert, 1992). It is thus in the interest of football clubs that they improve their own club as well as the other clubs in their competition i.e. cut-throat competition is counterproductive. The intricacy herein lies in finding the balance: you want to be ahead of the competition, but just by a small margin.

Building further on this, a respectable competition needs a sound league structure, a set of rules and a governing body to define and enforce these rules (Noll, 2003). Mainly this league structure is something that is not present in other industries. Rules and governing bodies on the other hand, are again similarities between the football industry and the regular ones. In essence, the presence of a governing body on the league-wide level means that there is more than one side to corporate governance in football. These different sides will be touched upon in more detail in the next paragraph.

2.3. Corporate governance in the football industry

In this paragraph we combine the last two paragraphs that handled the definition and relevance of corporate governance in general and the evolution of the football industry. In this paragraph we will look at the relevance of corporate governance in football specifically and how it is deployed.

2.3.1. Relevance

Earlier we discussed the relevance of corporate governance in regular industries. Throughout the years numerous scandals were brought to light in many different industries which proved that the people in control needed to be monitored and controlled in some kind of way. The football industry is everything but an exception on this part. It can be argued that scandals arise even more frequently in football than in regular industries, perhaps to its emotional nature which was discussed earlier. The most infamous example must be the Calciopoli Scandal of 2006. During that time some of the big clubs of the Italian Serie A were accused of influencing refereeing officials. These accusations took the passionate and football-loving country of Italy by storm. It resulted in, amongst other consequences, the relegation of Juventus to the Serie B as well as a lifetime ban from Italian football for Juventus' general manager, Luciano Moggi (Hafez, 2019).

But also smaller competitions have had their share of scandals. In 2018 Belgium was startled by "Operatie Propere Handen" which translates to Operation Clean Hands. This was a large-scale investigation into money laundering, bribery and match fixing among the professional Belgian football clubs. The consequences of this investigation were the most severe for KV Mechelen and some of its managers. The club was relegated to the Proximus League and the managers were banned from Belgian football for 7-10 years. A couple of player agents involved also got a ban from Belgian football (Sporza, 2019). It's safe to say that these punishments for the Italian clubs as well KV Mechelen had financial consequences as well. Even earlier the Belgian football community was shocked by the story of Zheyun Ye. The Chinese businessman was, among others, convicted for bribing several players of SK Lierse to play worse back in the 2004-2005 season of the Jupiler Pro League (Het Niewsblad, 2014).

Besides these shocking scandals involving criminal activities that are heavily smeared out in the newspapers, there are also more subtle stories that highlight the need for corporate governance in football. At the moment of writing, April-May 2020, there are several such stories that have arisen in the top-2 Belgian competitions alone. First of all, there was the annual license dispute. Every year the

Belgian football association reviews all the individual clubs' licenses. If clubs do not oblige to the rules the license committee may prohibit these clubs from competing in the professional leagues and hence force these clubs to relegate to the amateur leagues. Every year there is a discussion about whether certain clubs are playing by the rules, the usual suspects being Royal Excel Mouscron and KAS Eupen among others. This year was a remarkable year regarding this matter because no less than 7 clubs, out of 24, initially did not receive their license. In response all of these 7 clubs appealed to the BAS, the Belgian Court of Arbitration of Sports. Only four of these clubs managed to obtain their license for the next season. This meant that KSV Roeselare, Royal Excelsior Virton and Sporting Lokeren were forced to compete in the amateur leagues (Sporza, 2020a). This last club Sporting Lokeren is the protagonist of the second story that surfaced lately. Sporting Lokeren has for some time struggled to keep its head above the water financially but this struggle came to an end on the 20th of April 2020 when the club was officially declared bankrupt (Sporza, 2020b). This came as a tremendous but nevertheless somewhat expected shock and resulted in a rise in the demand for better corporate governance. Finally, two other clubs that got their license via the BAS, featured each in their own revival story. Both KV Oostende as well as Lommel SK were taken over by foreign investors. Pacific Media Group is the new, American, owner of KV Oostende and the big City Football Group, owned by Sheikh Mansour bin Zayed Al Nahyan, took over Lommel SK. Although these stories are definitely more positive than the bankruptcy of Sporting Lokeren, people are still concerned with the growing impact of foreign investors in the Belgian football community. Especially the acquisition of Lommel SK by Manchester City has gotten a lot of media attention and it is understandable why. After all the city of Lommel has only about 34.000 inhabitants (Vlaanderen.be, 2020). This is more than 20.000 people less than the capacity of Manchester City's Etihad Stadium (Wikipedia, n.d.). But the goals of the City Football Group are clear. They want to be omnipresent in the world, besides Manchester City they now own 8 other clubs spread out across all continents except Africa and Antarctica. Second of all Lommel SK was specifically interesting as it was cheap, City reportedly merely paid 2 million Euros for the club, and because the Belgian competition as a whole is interesting for investors as mentioned before: a competition of decent quality perfect to prepare young players of the top European competitions, low minimum wages, a beneficial tax system, … (Het Laatste Nieuws, 2020).

These stories all have the same conclusion. Good management is crucial for football clubs as well as football leagues. Thus, corporate governance is of the utmost importance for football leagues and clubs. Although the majority of these stories revolve around the Belgian competitions, most football competitions struggle with similar problems, e.g. the Calciopoli scandal among many others.

2.3.2. Different points of view

Earlier the different points of view were briefly discussed. Corporate governance can be seen from the point of view of any stakeholder actually. Furthermore, the goals and tools of corporate governance will differ depending on whose point of view you take.

To apply this to a football club we need to first define its different stakeholders. According to Senaux (2008) the main stakeholders of a football club are: the shareholders or owners, the players and employees, the leagues and federations, the local authorities or government, the support association or management, the supporters and the television or broadcasting companies. All of these group have (partially) different objectives, roles and ways of realizing their objectives. Although there is a clear division, this does not mean that these groups are exclusive. A person can perfectly be a shareholder, a manager, and a supporter of the club all at the same time.

In general, the players, employees and management can be seen as the actors that decide the course of the club directly. Therefor this group of stakeholders will from now one be addressed as the "executive stakeholders". Other stakeholders usually try to realize their personal objectives by impacting these executive stakeholders. They indirectly try to impact the club by directly, or sometimes indirectly, impacting the people that are actually in control. This general idea can vary between different stakeholders. In what follows three points of view of corporate governance in a football club will be discussed.

Firstly, we will take on the shareholders point of view. The relationship between shareholders or investors and the executive stakeholders, specifically the management, is probably the type of relationship that is mostly discussed in the context of corporate governance. It gave shape to one of the very first theories surrounding corporate governance namely the agency theory. It is definitely applicable in the football industry as investors stand to lose a lot of money if a football club is badly managed, let alone if it goes bankrupt. The benefit of being an owner of the club on the other hand, is the power that comes along with it. The shareholders usually decide who sits on the Board of Directors, senior management. Sometimes they also set out ground rules or codes of conduct to which these directors and managers need to comply. The objective of this group of stakeholders is mainly to maximize their return on investment. Therefor it is crucial to them that the club is financially profitable. There are some exceptions, however. While this is mostly true for big shareholders, smaller shareholders are less likely to be in it for the money but more for the continuation of their club and its values. These smaller shareholders then act more like supporters,

which will be discussed later. This again highlights that the stakeholder groups are not exclusive. This research study will mainly focus on this relationship. The tools investors use to implement corporate governance will be discussed and mainly the difference in use of these tools between domestic and foreign investors. These different kinds of tools will be discussed in detail in the next paragraph.

Another important relationship is the relationship between the league or federation on one side and the executive stakeholders on the other. The goal of the leagues and federations is usually to improve and sustain the overall development of football (Senaux, 2008). The tools they can use to achieve this include regulations combined with penalties (financially penalties, taking away licenses, etc.) and rewards. The implicit power they have over the football clubs that play in their competition stems forth from the irreplaceability of said competitions. It is near impossible for a club to leave the competition and start a new one, because if none of the other clubs decide to follow the leaving club's footsteps the leaving club will either end up with a competition of much inferior quality, which will attract few viewers or a competition of merely one club which is, by the definition of "competition", not even a competition at all. Note that this relationship is very similar to the government-executive stakeholders relationship. In this relationship regulations are substituted by laws.

The final relationship that will briefly be discussed is the one between the supporters and the executive stakeholders. As mentioned earlier, supporters want to have an impact on their club, especially if things go, or tend to go, south. The power that supporters have over their club can vary significantly based on the league the club is in, the club itself, the ownership level of supporters, etc. The objectives of the supporters are rarely economical. Most supporters want to see their club perform well on the pitch because the club is part of their identity and it is something they want to be proud of. The supporters are less worried about the annual profit that their club is making although most of them realize the importance of an economically viable football club. The tools of corporate governance at their disposal depend very much on the level of ownership of the supporters as mentioned before. Supporters have significantly more power in supporter-owned clubs (cfr. Real Madrid CF and FC Barcelona) but even in if this is not the case supporters can always have an impact. A lot of football clubs have specific formal ways of interacting with their fans, ways for the fans to bring forth their ideas, complaints and frustrations. These methods are heavily dependent on the goodwill of the executive stakeholders. Consequently, if the relationship between the supporters and the executive stakeholders is a rather troubled one, supporters might be inclined to use less formal methods, e.g. fans protests (The Guardian, 2016).

These relationships all gave a sense of how corporate governance is perceived by some of the most important stakeholders of a football club. From now on the focus of this paper will be on the investor-management relationship. The agency theory is used and the methods in which investors influence the management of their football club are being researched. For an in-depth discussion about the complete stakeholder approach to football club we refer to Senaux (2018).

2.3.3. Quantifiable aspects

In what follows the most important quantifiable aspects of corporate governance that are under the control of the shareholders will be listed. These are also the ones that were part of the research study which will be discussed later. As this study is a continuation of the study by Mortier (2018) a lot of the same aspects reoccur. Mainly board size, board diversity, the number of independent board members, managerial ownership and CEO duality will be reviewed. On top of this, two new measures were added: nationality of the President of the Board and nationality of the CEO. This gives us seven measures to look into. In what follows each of these measures will be briefly explained and also the reason for them being part of this study will be justified, i.e. how they are important to the corporate governance of a football club.

2.3.3.1. Board size

Board size is seen as one of the most important factors of corporate governance because it is believed to greatly affect the decision making of the board and the presence of earnings management, i.e. managers or directors altering financial reports in their own personal interest (Dimitropoulos, 2011). The only thing that matches its importance as a measure of corporate governance is its ambiguity. Several empirical studies have been done to find the impact of the board size. These resulted in two contradictory theories. Some studies: Jensen (1993), Yermack (1996), Dimitropoulos & Asteriou (2010), among others, stated that smaller boards outperform bigger ones. Their reasoning is that smaller board are better at decision making, mainly due to more efficient coordination and communication, and better at preventing earnings management. Other research: Beasley (1996), Peasnell, Pope & Young (2005), Nicholson & Kiel (2003) and others argued that bigger boards perform better because there is a larger pool of knowledge and there are more people to supervise the management and detect earnings management. Both theories are plausible but there is no definitive answer as to which is (more) right than the other. This means that even if differences in board sizes between football clubs are observable, there is no club that is outperforming the other

on corporate governance for that matter. What studies have shown is that foreign investors do value corporate governance and will enforce it by themselves if it is not present yet (Gillan & Starks, 2003).

All this results in us stating the following alternative hypothesis:
H1: The average board size of football clubs which are owned by foreign investors is significantly different from the ones owned by domestic investors.

2.3.3.2. Board diversity

Building on this previous aspect, of size, is diversity. As was brought up by Mortier (2018), more diverse boards have the benefit of having different and complementary skills and knowledge. This will heavily influence the quality of the decision making and is therefore a crucial part of corporate governance. Earlier Carpenter & Westphal (2001) already stated that knowledge, skills and external ties of directors all reflect upon their ability to make strategic decisions. Wiersema & Bantel (1992) did research into the effect of top management team demography and corporate strategic change. Also worth noting is the fact that bigger boards implicitly give more space to create more diversity. Milliken & Martins (1996) have articulated board diversity as the variation in the backgrounds of the boards' directors. More specifically this background includes gender, nationality, education, former profession, etc.

In this study we will examine the first two of these examples of diversity, namely gender and nationality. As far as gender goes, Carter, Simkins & Simpson (2003) found that there is a positive relationship between the presence of female directors on the board and firm value. This can also be extrapolated for football clubs although firm value might be less fitting. In our study we will make no premature assumptions whether or not foreign-owned clubs have more women on their boards of directors.

The alternative hypothesis is then as follows:
H2: There is on average a significant difference between foreign-owned and domestically-owned football clubs in the amount of women in the board of directors.

The second and final aspect of diversity that will be discussed is nationality. Following the same reasoning as for gender, variance in the nationalities among directors will benefit the quality of the decision making of the board of directors. This reasoning was empirically tested and confirmed by

Estélyi & Nisar (2016). On top of that foreign owners might try to solidify their position in the club by appointing foreign directors. A prime example of this is KV Kortrijk, a Belgian football club with a Malaysian owner. The club has 11 directors of which 6 are Malaysian nationals as to always retain a majority when it comes to a vote (Luts, 2015).

Here our alternative hypothesis reads:
H3: There is on average a significant difference between foreign-owned and domestically-owned football clubs in the amount of foreigners in the board of directors.

2.3.3.3. Independent board members

Besides having a diverse board of directors of a good size, the presence of independent members is also of the utmost importance. Although independency can be viewed as an aspect of diversity it is that important that it deserves to be a category on its own. The definition of an independent board member might vary by interpretation, but a good starting point is the its definition under Belgian law. Under this definition there are three conditions that determine whether a board member is independent or not. Firstly, this member should own no more than 10 percent of the company (or football club in the context of this study). An independent board member is thus characterized by having little monetary interest in the company. Secondly this member cannot work for the company, neither as a manager, nor as a regular employee. Thirdly and finally the board member should not have ties to another company which is an owner of the company of which board of directors he or she is a member of (Mortier, 2018). The presence of independent board members is value because they are the ones who usually act in the interest of the smaller shareholders (Mortier, 2018). On top of that Fama & Jensen (1983) highlight the importance of independent board members to resolve serious agency problems or to provide advice on very specific business problems (law, finance, etc.). They also found that independent board members are more keen on upholding their reputation by monitoring managers' behavior closely. These results were backed up by later studies: Marnet (2005), Agrawal & Chadha (2005). On top of that Dimitropoulos (2011) found that there is a significant positive relationship between the presence of independent board members and the monitoring performance of a football club. Two studies, by Meng, Clements & Padgett (2018) and by Min & Bowman (2015) have shown that foreign investors tend to appoint more independent board members.

Consequently, our alternative hypothesis is:
H4: The average amount of independent board members of football clubs which are owned by foreign investors is significantly different from the ones owned by domestic investors.

2.3.3.4. Managerial ownership

One of the most powerful methods to align the goals of the management and the shareholders is managerial ownership. In essence, managerial ownership is a situation in which manager(s) of a company (primarily high-level executives like the CEO, the CFO, etc.) are also shareholders of the company. Earlier we saw that agency theory states that managers will sometimes not act in the interest of the shareholders because they can maximize their personal profit in the short run. Managerial ownership prevents this situation as managers that maximize their personal profit in the short run will consequently also damage their personal profit in the long run. Consequently, managerial ownership will result in better decision making and less earnings management. This theory is supported by numerous studies such as Jensen & Meckling (1976), Warfield, Wild & Wild (1995), Peasnell et al. (2005) and Iqbal & Strong (2010). All of these concluded that there was a positive relationship between managerial ownership and corporate governance in general. Although managerial ownership is a powerful tool at the disposal of the investors/shareholders it is not always used as it dilutes the share of the original investor(s). Dimitropoulos (2011) also concluded that football clubs with increased managerial ownership achieve enhanced monitoring performance.

For managerial ownership our alternative hypothesis is:
H5: The presence of managerial ownership is significantly different between foreign-owned and domestically-owned football clubs.

2.3.3.5. CEO duality

CEO duality is another ambiguous aspect of corporate governance. CEO duality describes the situation where the CEO of a company is also the chairman of said company's board of directors. The effects of this situation are, much like board size, not straightforward. On the one hand CEO duality can be beneficial because the CEO should have a thorough understanding of the company and the decision making will be more efficient because the power amongst board members is more concentrated. On the contrary, most studies reason that these benefits of CEO duality are overshadowed by its downsides. CEO duality leads to stronger dependence on the CEO for inside information (Chang & Sun, 2010). This may result in critical information being hidden by managers or

even by the CEO him/herself (Mitchell, 2005). In essence, CEO duality is an extreme form of dependency of one of the board members and most studies agree that this is not a desirable situation.

Our alternative hypothesis for CEO duality reads:
H6: The presence of CEO duality is significantly different between foreign-owned and domestically-owned football clubs.

2.3.3.6. President and CEO nationality

Finally, the president and CEO nationality are also powerful methods to influence corporate governance, especially for foreign investors. Although Huang (2012), who studied the relationship between CEO characteristics and CSR performance, found no significant difference based on nationality, a logical reasoning can show that this is a powerful tool. After all a foreign chairman or CEO might be much more inclined to uphold the foreign owner's objective than a domestic chairman/CEO. A counter argument can be made that domestic people in influential positions are better because they might understand the club or the league/country it resides in more thoroughly. Little evidence was found regarding the effect of chairman or CEO nationality on actual bottom line results. Nevertheless, it is still interesting to investigate whether foreign owners are trying to use this to reinforce their position and to safeguard their personal objectives.

Our alternative hypotheses for president of the board nationality and CEO nationality are:
H7: The nationality of the president of the board of directors differs significantly between foreign-owned and domestically-owned football clubs.
H8: The nationality of the CEO differs significantly between foreign-owned and domestically-owned football clubs.

3. Data and research design

The following part contains the data selection, processing and the research design. As this study is largely based on the study of Mortier (2018), there will be a lot of similarities but if there are any differences these will also be touched upon.

3.1. Data selection

The outset of this research was to research corporate governance in European football clubs and mainly the impact of foreign investors on this. The clubs that were initially looked at include the top 5 European leagues: the English Premier League, the Spanish Primera Division, the German Bundesliga, the French Ligue 1 and the Italian Serie A as well as 3 smaller leagues the Dutch Eredivisie and the Belgian Jupiler Pro League and the Belgian Proximus League (which is the second highest division in Belgium). The second division form Belgium is included as to the example of Mortier (2018) but it is also a very interesting competition with regard to foreign investment which will become clear later. From now on the Belgian divisions will be seen as one division namely the "Belgian Professional Division" as the official names of these two separate divisions are actually "Profvoetbal 1A" and "Profvoetbal 1B".

As mentioned before, data involving the quantifiable measures of corporate governance was gathered as well as some general data about the ownership of the football clubs. The dataset for the Belgian Professional Division serves as a visual example.

Company Number	Club	Biggest Shareholder	% shares	Nationality	Board size	Extern	Women	Belgian	Managerial ownership	CEO Duality	President of the Board	CEO
BE0460444251	Club Brugge	Bart Verhaeghe	75	Belgian	6	5	0	6	Yes	No	Belgian	Belgian
BE0823379451	Anderlecht	Marc Coucke	75	Belgian	9	5	1	9	No	No	Belgian	Belgian
BE0407885394	AA Gent	Ivan Dewitte + Michel Louwagie	40	Belgian	11	10	1	11	Yes	No	Belgian	Belgian
BE0433255448	Standard Liege	Bruno Venanzi	99.99	Belgian	8	4	0	8	No	No	Belgian	Belgian
BE0434825462	Racing Genk	Dispersed	0	Belgian	7	7	0	7	No	No	Belgian	Belgian
BE0895938619	KV Oostende	Franck Dierckens	92	Belgian	4	1	0	4	Yes	Yes	Belgian	Belgian
BE0472519068	Charleroi	Fabien Debecq	95	Belgian	3	1	0	2	Yes	No	Foreign	Belgian
BE0839407415	Antwerp	Paul Gheysens	100	Belgian	5	4	1	4	Yes	Yes	Belgian	Belgian
BE0479448630	KV Mechelen	Dieter Penninckx	70	Belgian	7	7	0	7	No	No	Belgian	Belgian
BE0475349587	KV Kortrijk	Vincent Tan	81	Foreign	10	9	0	5	No	No	Belgian	Foreign
BE0833092517	Zulte Waregem	Tony Beeuwsaert	?	Belgian	10	9	1	10	No	No	Belgian	Belgian
BE0825375374	Moeskroen	BOGO ltd	90	Foreign	5	4	0	2	No	No	Belgian	Belgian
BE0845049251	Sint Truiden	DMM.com	100	Foreign	4	3	0	2	No	No	Belgian	Foreign
BE0848989926	KAS Eupen	Aspire Zone Foundation	100	Foreign	3	3	0	0	No	No	Foreign	Belgian
BE0418925875	Waasland Beveren	Dispersed	0	Belgian	9	5	0	9	No	Yes	Belgian	Belgian
BE0554798824	Cercle Brugge	AS Monaco	60	Foreign	5	5	0	3	No	No	Belgian	Foreign
BE0436473670	Westerlo	Oktay Ercan	100	Foreign	4	3	0	1	No	No	Foreign	Belgian
BE0407876090	Beerschot	DCA NV + UTB LLC	50	Split	8	7	0	5	No	No	Belgian	Belgian
BE0410593773	Virton	Flavio Becca	?	Foreign	2	2	0	2	No	No	Foreign	Foreign
BE0668426703	OH Leuven	King Power group	92	Foreign	5	5	1	1	No	No	Foreign	Belgian
BE0417144936	Union	Tony Bloom	96	Foreign	7	6	1	3	No	No	Foreign	Belgian
BE0677706633	Lommel Utd	Udi Shochatovitch	90	Foreign	5	4	0	3	No	No	Belgian	Belgian
BE0462678716	Roeselare	Xiu Li Hawken	?	Foreign	5	5	1	3	No	No	Belgian	Foreign
BE0408102952	Lokeren	Louis De Vries	100	Belgian	6	5	1	5	Yes	Yes	Belgian	Belgian

Table 1: Dataset of the Belgian Professional Division

From left to right we have the company number, i.e. the code under which the legal entity of the club is identified, the club name, the biggest shareholder(s), this can be a natural or a legal person, the percentage of shares that are in the possession of the biggest shareholder(s), the nationality of the biggest shareholder(s), the size of the board of directors, the amount of external directors on the board, the amount of women on the board, the amount of domestic nationals on the board (here: Belgians), the presence of managerial ownership (i.e. if the CEO own shares of the club, managerial ownership equals “yes”), the presence of CEO duality, the nationality of the president of the board of directors and the nationality of the CEO.

The gathering of all this data was done manually by sifting through each club’s website and the use of Orbis, a European private company database by Bureau van Dijk. When information was still unclear or missing, financial statements, annual reports or supporting newspaper articles were used.

An important note is the omission of two leagues. During the collection of data, it became apparent that two of the aforementioned leagues were quite different from the rest each for their own reasons.

Firstly, the Spanish Primera Division is characterized by a low degree of foreign ownership. On top of that some of its largest clubs, e.g. Real Madrid CF and FC Barcelona, are so-called “socio-owned” clubs which means they do not have a single majority shareholder. This, combined with the fact that the boards of directors in the Spanish football clubs are usually larger than in the rest of Europe,

formed the reasons for omitting the Spanish competition from this research study.
Secondly the German Bundesliga is quite unique compared to the other European competitions. The official regulations of the German football association state that every football club that plays in the Bundesliga, or by extensions its fans, should own the majority of its own voting rights. This rule, famously known as the "50+1 rule", was put in place to specifically protect the clubs and consequently the entire Bundesliga from outside investment. This was done to keep football to its core and to not let football clubs become cash cows at the expense of its supporters. This system has both advocates and adversaries, but it has had an impact on the corporate governance in the German football society without a doubt. The fact that there is no ultimate beneficial owner, or more precisely that the ultimate beneficial owner of each club is the club itself, means that the German competition does not fit in well in our quantitative analysis.

Despite the fact that these leagues were omitted from our research sample they are very interesting in the context of corporate governance in football clubs. Further research into the corporate governance systems in these leagues, especially the Bundesliga, might definitely be eye-opening. Besides this, another smaller omission was made. In the Belgian Professional Division, there was one club that had a different ownership structure than all the other clubs in the division and even than every other European club that was reviewed. Beerschot Voetbalclub Antwerpen is owned for 50 percent by UTB LLC, an investment company owned by the Saudi prince Abdullah Bin Mossaad, and for 50 percent by DCA NV, a Belgian construction company (Frans, 2018). Because of this 50-50 split it is basically impossible to assign the club to either the group of foreign-owned or domestically-owned clubs. Therefore, this single club was omitted from the research sample. The effects of this omission should not be too severe as it is only one out of the 24 Belgian clubs and one out of the 102 clubs in total.

Another important aspect of corporate governance, that was not yet touched upon, was already appearing during the data collection phase, namely "openness to outsiders". On this aspect there are vast differences between clubs and leagues. Take Club Brugge KV and RSC Anderlecht for example, two of the top teams in the Belgian competition. When visiting the site of Club Brugge it will not take someone long to find the composition of the board of directors, the club values or the club's code of ethics. On the site of RSC Anderlecht however none of these aspects can be found and our data was found via outside sources such as Orbis and newspaper articles. Also between leagues there are differences on this aspect. The leagues that seem to be performing best are the Premier League and the Serie A. Plausible reasoning for this might be the maturity of the Premier League on the one hand and the repercussions of the Calciopoli scandal on the Serie A on the other hand.

In conclusion, the data on corporate governance will be discussed for the Belgian Professional Division, the Eredivisie, the Premier League, the Serie A and the Ligue 1. All the data for this sample was up-to-date at the moment of data collection, March-April 2020. Any changes since that point in time have not been included in this research, e.g. the bankruptcy of Sporting Lokeren as mentioned before.

3.2. Research design

In the next paragraph all the data that was gathered will be discussed. To make it easier for the reader to navigate the structure of our research design will first be touched upon. The goal of this study was to measure if there were differences in the ways corporate governance is being exerted between foreign owners and domestic owners of European football clubs. This will be tested by making use of the quantifiable measures that were discussed in the last paragraph. Identical tests will be performed on every league separately first and finally on the research sample as a whole, i.e. tests on the nearly entire European football industry. The first league that will be touched upon is the Belgian one and this will serve as a guideline for the following competitions so that these can be discussed more briefly.

For each league separately the modus operandi is as follows.
First general data of the entire population, i.e. all the clubs in this league, will be discussed. This will include average board sizes, average proportions of female/domestic/external directors, frequencies of managerial ownership/CEO duality and the proportion of domestic/foreign chairmen and CEOs.
Secondly the population will be split into two groups based on the nationality of the club owner or largest shareholder, i.e. domestic or foreign.
Consequently, these two subpopulations will be compared to each other for each of the 8 measures that were previously discussed. The comparison of these measures needs to be done with the correct test depending on the nature of the measure. There are two distinct groups that can be created amongst the measure. The first four measures: board size, number of independent/external directors, number of female directors and number of domestic directors are all numerical variables. The test to find the difference on these measures between the two subpopulations would be test for equality of means. As Mortier (2018) earlier mentioned this can be done by either performing an independent-samples t-test or Anova-test. As Anova is used for more than 2 samples and our samples are independent, the independent-samples t-test is the most suitable option.

To test each of the following alternative hypotheses an independent-samples t-test will be used and a significance level of 95% is used, i.e. the critical p-value is 0.05. This means that a p-value higher than 0.05 will not reject the null hypothesis of equal means.

H1: The average board size of football clubs which are owned by foreign investors is significantly different from the ones owned by domestic investors.
H2: There is on average a significant difference between foreign-owned and domestically-owned football clubs in the amount of women in the board of directors.
H3: There is on average a significant difference between foreign-owned and domestically-owned football clubs in the amount of foreigners in the board of directors.
H4: The average amount of independent board members of football clubs which are owned by foreign investors is significantly different from the ones owned by domestic investors.

The other four measures: managerial ownership, CEO duality, chairman/president nationality and CEO nationality are all categorical, and even binary, variables. Because of their categorical nature a test for equality of means can no longer be used. For that reason, the Chi-Square-test was chosen to test for a relationship between the two subpopulations. Again, a significance level of 95% will be used, i.e. the critical p-value is 0.05. The alternative hypotheses for these measures are as follows.

H5: The presence of managerial ownership is significantly different between foreign-owned and domestically-owned football clubs.
H6: The presence of CEO duality is significantly different between foreign-owned and domestically-owned football clubs.
H7: The nationality of the president of the board of directors differs significantly between foreign-owned and domestically-owned football clubs.
H8: The nationality of the CEO differs significantly between foreign-owned and domestically-owned football clubs.

An important aspect to note is that the eight aforementioned hypotheses are all alternative hypotheses and they all assume a significant difference between the two groups. This consequently means that all the null hypotheses assume no significant difference. From a data science point of view this makes sense because we know that the tests that will be used favor the null hypothesis. This would mean that there is less chance to make a type-1 error of wrongfully rejecting a true null hypothesis. On the other side this also means that if the alternative hypothesis is supported, it is supported more confidently.

For this study all tables and tests were created in Microsoft Excel 2016 or SPSS Statistics 26.

4. Empirical findings

In this chapter all data and tests will be discussed for the different leagues as well as the European football industry in its entirety, i.e. all aforementioned leagues combined. The first league that will be discussed is the Belgian Professional Division, i.e. the Jupiler Pro League and the Proximus League combined. The discussion of this league will be extensive so it can serve as an example to better understand the, more brief, discussion of the other leagues that will follow.

4.1. Belgian Professional Division, Belgium

In the previous chapter the statistical tests that will be used were already discussed but for the better understanding of the league at hand an overall description of the data is necessary. Therefor the first thing that needs to be looked at is a descriptive statistics table. This tables shows the ranges, the means and the standard deviations of the numerical variables: board size and number of female, external and foreign directors.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Board size	23	2	11	6,09	2,466
Women	23	0	1	,35	,487
Belgian	23	0	11	4,65	3,157
Extern	23	1	10	4,87	2,361
Valid N (listwise)	23				

Table 2: Descriptive statistics for the Belgian Professional Division

This table tells us that the average board size of the Belgian professional football clubs is just over 6 people, with a standard deviation. To decide upon whether this is a large average board size or not we would have to compare this to other leagues which will be done later in this study. What we already can discern however is the reasonably high amount of external and domestic directors. The percentages relative to the average board size for these measures are respectively 79.9% and 76.3% percent. These seem large at first glance, but they will have to be compared to the European averages. What stands out the most in this graph however is the very small average amount of

female directors, 5.7% of the average board size. In all the Belgian clubs in this sample there is either one female director or none.

To compare the categorical variables: managerial ownership, CEO duality, president nationality and CEO nationality a descriptive statistics table is less applicable and frequency tables will be used. The following two frequency tables show the counts and the relative percentages of respectively managerial ownership and CEO duality in the first table and president and CEO nationality in the second.

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Managerial ownership	23	6	17	26.09	73.91
CEO Duality	23	4	19	17.39	82.61

Table 3: Managerial ownership and CEO duality in the Belgian Professional Division

From the first table we can extract that the presence of managerial ownership is rather low, 26.1%. This low presence is a negative thing in the context of corporate governance as explained before. On the aspect of managerial ownership however there is a note to be made. Managerial ownership was, out of the eight observed measures of corporate governance, the most difficult one to retrieve. This information was rarely easy to find and therefore the reliability of the information that was found might be low. Thus, when interpreting the results of managerial ownership, one must keep in mind that not all information might be entirely correct. This is not only applicable to the Belgian football league but also to all the other leagues in the research sample. While we see that Belgian football clubs are not performing well on managerial ownership, the opposite is true for CEO duality. We see an even lower presence, 17.4%, of the CEO and the president of the board being the same person. As mentioned earlier, from a corporate governance perspective this is a good thing.

Frequency table					
	N	Belgian	Foreign	Belgian (%)	Foreign (%)
President of the Board	23	17	6	73.91	26.09
CEO	23	18	5	78.26	21.74
Biggest shareholder	23	12	11	52.17	47.83

Table 4: Nationality of the president of the board and the CEO in the Belgian Professional Division

As far as the nationalities of the president of the board of directors and the CEO go, we see a high degree of domestic, here Belgian, presidents and CEOs (73.9% and 78.3% respectively). These percentages by themselves have little meaning but they become much more interesting when

compared to the nationality of the owners or biggest shareholders. We see an almost even split between domestically-owned and foreign-owned football clubs in Belgium. If we follow the proposed null hypothesis of no significant difference, foreign-owned clubs would have the same tendency to institute a domestic president and CEO over foreign ones just like the domestically-owned clubs.

As mentioned in the previous chapter, independent-samples t-tests for the equality of means of the four numerical variables will be used. Important for the correctness of the interpretation is the Levene's test for equality of variance. This test precedes the actual t-test because the statistics for the t-test will vary depending on the equality, or inequality, of the variance of the measures between the two subpopulations. For both the Levene's test and the t-test we use a significance level of 95%, i.e. a critical p-value of 0.05.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Board size	Equal variances assumed	1,125	,301	2,192	21	,040	2,083	,951	,106	4,060
	Equal variances not assumed			2,206	20,936	,039	2,083	,944	,119	4,048
Women	Equal variances assumed	1,812	,193	,700	21	,492	,144	,206	-,284	,572
	Equal variances not assumed			,703	20,999	,490	,144	,205	-,282	,570
Belgian	Equal variances assumed	5,404	,030	5,011	21	,000	4,561	,910	2,668	6,453
	Equal variances not assumed			5,151	16,377	,000	4,561	,885	2,687	6,434
Extern	Equal variances assumed	,866	,363	,801	21	,432	,795	,994	-1,271	2,862
	Equal variances not assumed			,813	19,719	,426	,795	,978	-1,247	2,838

Table 5: Independent-samples t-test for the Belgian Professional Division

For the board sizes we observe an insignificant Levene's test which means that we can assume equal variances. Consequently, we find the t-test to be significant, p-value: 0.04 < 0.05, which means that we can reject the null hypothesis on a 95% significance level – the exact significance level is even higher, 96%-. Which means as much as: "We are 96% sure that we did not make a type-1 error, i.e. reject a true null hypothesis.". Thus, for this sample the alternative hypothesis is supported. Keep in mind that the alternative hypothesis is not proven to be undeniably true, however. More and larger samples would be needed to prove the alternative hypothesis but for our sample we can conclude that there is a significant difference in the average board size between foreign-owned and domestically-owned football clubs in Belgium.

For the amount of external or independent directors we see an insignificant Levene's test again. The t-test, when equality of variance is assumed, is in this case insignificant, p-value: 0.432 > 0.05. This

tells us that the means of the amount of external directors does not differ significantly between the two subpopulations.

The Levene's test for the amount of female directors is again insignificant. The t-test is insignificant because we have a p-value of 0.492. Consequently, the average amount of female directors does not differ significantly between the two subpopulations.

When looking at the nationality of the directors, we find the only instance of a significant Levene's test. This means that we should assume unequal variances between the subpopulations. This could change the t-statistic but in this case however we see the same, extremely low, p-value of 0.000. Hence, we can conclude that there is a significant difference in the amount of domestic directors - and consequently also in the amount of foreign directors- between the two subpopulations.

To put these tests and conclusions into perspective the following table shows the means for these measures for each subpopulation separately. It is basically the same table as the one with the descriptive statistics but now the two subpopulations are split up.

Group Statistics

	Nationality	N	Mean	Std. Deviation	Std. Error Mean
Board size	Belgian	12	7,08	2,429	,701
	Foreign	11	5,00	2,098	,632
Women	Belgian	12	,42	,515	,149
	Foreign	11	,27	,467	,141
Belgian	Belgian	12	6,83	2,725	,787
	Foreign	11	2,27	1,348	,407
Extern	Belgian	12	5,25	2,734	,789
	Foreign	11	4,45	1,916	,578

Table 6: Descriptive statistics for the Belgian Professional Division based on owner nationality

For the other four, categorical, variables we cannot use a t-test because this tests for equality of means. Therefore, Chi-Square test will be used instead. This will test if the two subpopulations are distributed equally with regard to each of the four measures regardless of the means, i.e. a non-parametric test. In what follows the Chi-Square test tables will be shown for each of the four measures. For the first measure the crosstab, with actual and expected counts, will also be shown. The crosstab is important because these expected counts are crucial as they determine whether or not the Pearson Chi-Square test is a valid test for the population. More specifically this means that

when the expected count of more than 20% of the observed counts is less than 5, an important assumption of the Chi-Square test is violated. If this is the case, the Fisher Exact test should be used. As all of the observed categorical variables are binary, each crosstab will be a 2 by 2 table. This consequently means that the expected counts assumption is violated when one or more of the 4 expected counts is less than 5 (1/4 equals 25%). In this case the Fisher's Exact test, which can also be found in the Chi-Square test table, should be looked at. The crosstab will only be shown for the first measure, i.e. managerial ownership, as an example because underneath the Chi-Square test the percentage of expected counts less than 5 is always mentioned. All omitted tables can be found in the appendix of this paper, however. Note that for the Chi-Square test and the Fisher's Exact test a significance level of 95%, and a critical p-value of 0.05, is used once more.

Crosstab

			Managerial ownership		
			No	Yes	Total
Nationality	Belgian	Count	6	6	12
		Expected Count	8,9	3,1	12,0
	Foreign	Count	11	0	11
		Expected Count	8,1	2,9	11,0
Total		Count	17	6	23
		Expected Count	17,0	6,0	23,0

Table 7: Crosstab for managerial ownership in the Belgian Professional Division

For managerial ownership we find that two out of the 4 expected counts are less than 5, these are highlighted. Consequently, we cannot use the Pearson Chi-Square test but we have to use the Fisher's Exact test instead.

Chi-Square Tests (managerial ownership)

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	7,441[a]	1	,006		
Continuity Correction[b]	5,074	1	,024		
Likelihood Ratio	9,767	1	,002		
Fisher's Exact Test				,014	,009
N of Valid Cases	23				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is 2,87.

b. Computed only for a 2x2 table

Table 8: Chi-Square test for managerial ownership in the Belgian Professional Division

Here we see again that the assumption for the expected counts is violated, highlighted again, and that the Fisher's Exact test should be used. We find this test to be significant on the 95% significance level, p-value: 0.014 < 0.05. Thus, we can assume that the null hypothesis, of no significant difference in the presence of managerial ownership between the two subpopulations, can be rejected. For our sample we can say that there is a significant relationship between managerial ownership and owner nationality.

Chi-Square Tests (CEO duality)					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	4,439[a]	1	,035		
Continuity Correction[b]	2,422	1	,120		
Likelihood Ratio	5,977	1	,014		
Fisher's Exact Test				,093	,056
N of Valid Cases	23				
a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is 1,91.					
b. Computed only for a 2x2 table					

Table 9: Chi-Square test for CEO duality in the Belgian Professional Division

For CEO duality we again have to use the Fisher's Exact test instead of the Pearson Chi-Square test. Here we conclude that there is no significant difference between the two subpopulations, p-value: 0.093 > 0.05. In essence, we do not reject the null hypothesis.

Chi-Square Tests (president nationality)					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	4,102[a]	1	,043		
Continuity Correction[b]	2,402	1	,121		
Likelihood Ratio	4,360	1	,037		
Fisher's Exact Test				,069	,059
N of Valid Cases	23				
a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is 2,87.					
b. Computed only for a 2x2 table					

Table 10: Chi-Square test for president nationality in the Belgian Professional Division

In the context of the nationality of the president of the board of directors we find a p-value of 0.069. We can thus conclude that there is no significant difference between the nationalities of the presidents in foreign-owned and domestically-owned clubs, i.e. we do not reject the null hypothesis.

Chi-Square Tests (CEO nationality)					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	6,970[a]	1	,008		
Continuity Correction[b]	4,554	1	,033		
Likelihood Ratio	8,927	1	,003		
Fisher's Exact Test				,014	,014
N of Valid Cases	23				
a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is 2,39.					
b. Computed only for a 2x2 table					

Table 11: Chi-Square test for CEO nationality in the Belgian Professional Division

For CEO nationality we find opposite results, however. Here the p-value equals 0.014 and we can thus reject the null hypothesis. In our sample there is a significant difference in CEO nationality between the two subpopulations.

If the null hypothesis is rejected, the crosstabs can give an indication into the actual relationship that can be found. These are just indications and to prove these, other test will have to be ran but these are not part of this paper. All crosstabs can be found in the appendix at the end of this paper.

To conclude the Belgian Professional Division, we take a look at all our proposed null hypotheses and whether or not these can be rejected.

	Null hypothesis	**Outcome**
H1	Equal average board size	Rejected
H2	Equal average amount of female directors	Not rejected
H3	Equal average amount of foreign directors	Rejected
H4	Equal average amount of independent directors	Not rejected
H5	Equal presence of managerial ownership	Rejected
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Not rejected
H8	Equal presence of a domestic/foreign CEO	Rejected

Table 12: Summary for the Belgian Professional Division.

We found that the nationality, i.e. foreign or domestic, of the biggest shareholder does have an impact on board size, the amount of foreign directors, the presence of managerial ownership and the nationality, again foreign or domestic, of the CEO. If we compare these results to the ones in the study of Mortier (2018), we find the same results except for board size. In the study of Mortier there was no significant difference between board size and owner nationality. Finding out how these differences in results came to be, proved to be impossible as we did not have access to the dataset used by Mortier. Note also that the final two hypotheses, H7 and H8, were not part of Mortier's study and hence the results cannot be compared.

Next the same analysis will be performed on the data that was gathered for the other European leagues. The discussion for each league will be similar but less extensive than the previous one, however. Only the table that shows which null hypotheses are rejected and which are not rejected will be given and discussed as to not elongate this research study unnecessarily. All the conclusions that were drawn can be checked by consulting the necessary tables in the appendix of this paper.

4.2. Eredivisie, the Netherlands

The Eredivisie was selected for this sample as it is reasonably comparable to the Belgian Professional Division. However, there is a crucial difference between the two leagues. From the data we can discern that the Eredivisie has a drastically lower percentage of foreign club owners (16.6%) relative to the Belgian competition (47.8%). This lower percentage also means a lower absolute amount of foreign owners, only 3 clubs are foreign-owned in the Netherlands. This has serious implications on the tests for the Eredivisie as a smaller sample size decreases the statistical power of these tests. This means that the conclusions for the Eredivisie should be taken with a grain of salt.

	Null hypothesis	**Outcome**
H1	Equal average board size	Not rejected
H2	Equal average amount of female directors	Rejected
H3	Equal average amount of foreign directors	Not rejected
H4	Equal average amount of independent directors	Not rejected
H5	Equal presence of managerial ownership	Not rejected*
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Rejected
H8	Equal presence of a domestic/foreign CEO	Not rejected*

Table 13: Summary for the Eredivisie

For the Eredivisie we see that the nationality of the owner has an impact on both the amount of female directors as well as the nationality of the president of the board of directors. These are both aspects that seemed to be not significant for the Belgian Professional Division. Note that the Eredivisie is very different from the Belgian division as the majority of the teams is self-owned, i.e. the majority shareholder is the clubs itself, and there is a very low degree of foreign ownership as mentioned before. This even leads to two peculiar situations, denoted by '*' in the table. There are zero instances of managerial ownership and of a foreign CEO. This means that the test statistics cannot be calculated. This implicitly means that we cannot reject the null hypotheses.

4.3. Premier League, Great Britain

Thirdly, the British Premier League was looked at. The Premier League is the biggest, most popular football competition in the world and not unsurprisingly it is also the competition that involves the largest amounts of money. Early we argued that this might be the single most important aspect that attracts foreign investors. This seems to be applicable to the Premier League as we a very high degree of foreign ownership (70%).

	Null hypothesis	**Outcome**
H1	Equal average board size	Not rejected
H2	Equal average amount of female directors	Not rejected
H3	Equal average amount of foreign directors	Rejected
H4	Equal average amount of independent directors	Not rejected
H5	Equal presence of managerial ownership	Not rejected
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Rejected
H8	Equal presence of a domestic/foreign CEO	Not rejected

Table 14: Summary for the Premier League

For the Premier League we found that there is a significant difference in the amount of foreign directors and in the nationality of the president of the board of directors. From the descriptive statistics table divided by owner nationality we find that the average amount of domestic directors is higher for domestically-owned clubs. Consequently, the inverse is true for the amount of foreign directors. For president nationality we find in the crosstab that all domestically-owned clubs have a British president while for foreign-owned clubs 57% of the presidents are foreign. One not that can be made for the Premier League is that although the null hypothesis for managerial ownership was not rejected, this was only barely. We find a p-value of 0.079 which is just over 0.05. From the crosstab we can see that in not a single foreign-owned club there is managerial ownership present.

On top of that only 2 out of the 6 domestically-owned clubs have a CEO that owns shares of the club. This supports the idea of investors not being keen on knowingly diluting their stocks.

4.4. Serie A, Italy

The highest Italian division jumps out from the rest as it is the competition with the largest average board size and, perhaps consequently, the largest average amount of female and domestic directors. On the flipside, it is characterized by the rather small presence of managerial ownership and CEO duality, both 10%, although not as low as the Eredivisie.

	Null hypothesis	**Outcome**
H1	Equal average board size	Not rejected
H2	Equal average amount of female directors	Not rejected
H3	Equal average amount of foreign directors	Not rejected
H4	Equal average amount of independent directors	Rejected
H5	Equal presence of managerial ownership	Not rejected
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Rejected
H8	Equal presence of a domestic/foreign CEO	Not rejected

Table 15: Summary for the Serie A

Similar to the Premier League we find that there is a relationship between owner nationality and president nationality. Again, the domestically-owned clubs have only Italian presidents. In Italy however, we find that there is a significant difference between the amount of independent directors. From the descriptive statistics we find that the average amount of independent directors for foreign-owned clubs is 7.75 people and for domestically-owned clubs this is only 3.75 people.

4.5. Ligue 1, France

The last league that will be looked at separately is the French Ligue 1. This league has, similar to the Italian one, a high average board size (6.40). However, the most striking statistic must be the large presence of managerial ownership and CEO duality, both 50%, compared to the other leagues.

	Null hypothesis	Outcome
H1	Equal average board size	Not rejected
H2	Equal average amount of female directors	Not rejected
H3	Equal average amount of foreign directors	Rejected
H4	Equal average amount of independent directors	Not rejected
H5	Equal presence of managerial ownership	Not rejected
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Rejected
H8	Equal presence of a domestic/foreign CEO	Rejected

Table 16: Summary of the Ligue 1

We again find that the amount of foreign directors is dependent on owner nationality. On top of that there are also relationships between owner nationality and president/CEO nationality. Moreover, none of the domestically-owned teams have a foreign president or CEO. For the foreign-owned clubs we find: 6 foreign presidents versus 1 French one and 4 foreign CEOs vs 3 French ones.

4.6. The European football industry

Finally, the entire European football industry, i.e. the 5 competitions from this sample combined, will be discussed. Here the descriptive statistics and frequency tables will be shown as they contain important statistics that define the overall European football industry. These statistics are also crucial to compare a specific league to the European average.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	101	1	16	5.72	2.906
Women	101	0	6	0.53	0.986
Domestic	101	0	16	4.41	3.040
Extern	101	0	13	4.23	2.679
Valid N (listwise)	101				

Table 17: Descriptive statistics for the European football industry

On average a European football clubs has a board of directors that consists of 5.72 people. Of these people 33% are foreigners, 74% are independent directors and merely 9% are women. From a corporate governance standpoint, the European football clubs are performing well on the independency of directors but very poorly on the percentage of women in leadership positions. This latter point comes as no surprise as football is still regarded as a very male-dominated sport.

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Managerial ownership	101	20	81	19.80	80.20
CEO Duality	101	22	79	21.78	78.22

Table 18: Managerial ownership and CEO duality in the European football industry

Overall, we see low presences for both managerial ownership and CEO duality in the European football clubs. This has, as earlier discussed, a double meaning in the context of corporate governance. While a managerial ownership is perceived as beneficial to the overall corporate governance, the inverse is true for CEO duality. The fact that CEO duality occurs more often than managerial ownership might suggest that the European football club can definitely still improve on these two aspects.

Frequency table					
	N	Domestic	Foreign	Domestic (%)	Foreign (%)
President of the Board	101	75	26	74.26	25.74
CEO	101	87	14	86.14	13.86
Biggest shareholder	101	62	39	61.39	38.61

Table 19: Nationality of the president of the board and the CEO in the European football industry

In the European football industry, more than 38% percent of all clubs have an owner that is foreign to the country this club plays in. This degree of foreign-ownership does not seem low but a more accurate way of analyzing this could be done in several ways. Firstly, the data for European football clubs could be compared to football clubs from another part of the world, e.g. North-America, South-America, Asia, etc. Secondly it could be compared to data of other (sports) industries, e.g. basketball, American football, cycling, etc. Finally, the data could be compared to older data for the same clubs and leagues, i.e. in a time-series. This would put all numbers into more perspective. These are not part of this study but they might all be interesting for future research, cfr. Limitations and future research

Finally, the comparison between these foreign-owned and domestically-owned football clubs can be made for the entire European football industry. These results are more reliable than for each league separately because the sample is larger which empowers the statistical tests used. On the other hand, they say little about each league on its own so the separate discussions for each league are definitely still useful.

	Null hypothesis	Outcome
H1	Equal average board size	Not rejected
H2	Equal average amount of female directors	Not rejected
H3	Equal average amount of foreign directors	Rejected
H4	Equal average amount of independent directors	Not rejected
H5	Equal presence of managerial ownership	Rejected
H6	Equal presence of CEO duality	Not rejected
H7	Equal presence of a domestic/foreign president	Rejected
H8	Equal presence of a domestic/foreign CEO	Rejected

Table 20: Summary of the European football industry

Firstly, we find a relationship between owner nationality and the amount of foreign directors. We found that the average amount of domestic directors in domestically-owned clubs is 5.71 people whereas in foreign-owned clubs this is only 2.33. As we assume that the average board sizes are equal, i.e. H1 is not rejected, the inverse is also true for the average amount of foreign directors. This implies that foreign investors are definitely trying to solidify their power over the board of directors and hence the club as a whole. Another important not is that we assumed diversity to be a positive aspect of corporate governance. This means a balanced mix of foreign and domestic directors. This seems to be more the case foreign owned clubs because there the percentage of foreign directors, and thus also domestic directors, tends more to half the average board size.

Secondly there is a significant relationship observable between owner nationality and managerial ownership. Looking at the crosstab, cfr. Appendix, we see that there seems to be a lower presence of managerial ownership amongst foreign-owned companies compared to domestically-owned ones. The reasoning, which was touched upon earlier, that investors try to protect the themselves from dilution does little to explain this significant difference because domestic investors would also have interest in trying to protect themselves from dilution. Here we can conclude that in the context of managerial ownership as part of corporate governance, domestically-owned clubs are performing better.

Finally, there is also a significant difference regarding the nationality of both the president of the board of directors and the CEO between the two subpopulations. Out of all domestically-owned teams in this sample there is only 1 team with a foreign president and one team with a foreign CEO. For the foreign-owned teams on the other hand, 64% of presidents and 33% of CEOs are foreign. This supports the reasoning that foreign investors are keen on choosing foreign presidents and to a lesser extent foreign CEOs to keep better control over their football club.

4.7. Side by side comparison

Another important method that can be used to analyze the data is side by side comparison. This can be done between leagues separately but perhaps the most useful comparison might be one specific league versus the European football industry as a whole.

In this first example a short comparison between the Belgian Professional Division and all European leagues combined will be made. When putting the descriptive statistics and frequency tables of each sample (cfr. Table 2,3,4,17,18 and 19) next to each other, some apparent differences become clear. The Belgian football clubs seem to have relatively larger boards with less female but more domestic and independent directors. There is a relatively higher degree of foreign ownership and managerial ownership but a lower degree of CEO duality. On top of that there are also relatively more foreign presidents and CEOs. Note that these differences have not yet been proven to be significant. This would require further testing which is not included in this study.

A second example would be a time-series comparison between this study and the one of Mortier (2018). This was touched upon earlier and for the Belgian sample there was only one conclusion that was different, i.e. from the sample of this study we did find that there is a significant difference in board sizes between the two subpopulations in Belgium. Moreover, if we compare the results for Belgium from Mortier to our findings for the European football industry as a whole, we see that the exact same conclusions were made. Although Belgium cannot be seen as a proxy for the entire European football industry this does prove some form of consistency in the results. This consistency comes as no surprise as there is only a time interval of two years between these studies. More interesting would be a comparison over a longer time period. This could be in the past or in the future. This could provide an extensive picture of the evolution of corporate governance in the European football industry.

5. Conclusion

The goal of this study was to analyze the European football industry in the context of corporate governance and foreign ownership. More specifically meaningful relationships between owner nationality and certain aspects of corporate governance were looked into. For this analysis the date of 101 European football clubs, from 5 different leagues, were used. This data was applicable to the 2019-2020 season. This reasonably large and up-to-date research sample ensured that reliable tests could be conducted in order to find significant differences between the chosen subpopulations, i.e. foreign-owned and domestically-owned clubs. All a priori assumptions were the same, i.e. there is no difference between the subpopulations, as to not statistically favor any outcome except this null hypothesis.

The most important results of our tests conclude that there are significant relationships between owner nationality on the one hand and the amount of foreign directors, managerial ownership, president nationality and CEO nationality on the other hand. All these measures show that corporate governance is definitely present and actively being deployed in the European football industry. Moreover, we could assume that most investors, both foreign and domestic, assume a defensive position to try to solidify their position of power in their football club.

Domestic investors definitely seem to favor domestic directors, presidents and CEOs. This makes sense for two reasons: firstly there position is not strengthened by choosing directors, presidents and CEOs with a different nationality and secondly the argument can be made that domestic people are more suited to lead their football club as they have more know-how of the competition, the country, the supporters, etc. . One aspect that is overlooked in the aforementioned reasoning is diversity. While the defensive position definitely makes sense, it does overshadow the fact that foreigners in the board would increase the boards diversity. This would then in turn improve the decision making of the board.

On the other hand, foreign investors also assume a somewhat defensive position but in a different way. Here foreign directors are more common but there is a more even balance between foreign and domestic directors. This makes sense because both diversity and investor protection are taken into account. After all, a board without domestic directors would almost always lack the knowledge about the country and its habitual practices, the club, the supporters, etc. On top of that foreign investors definitely tend more towards foreign presidents and CEOs than domestic investors. However, foreign presidents are more occurrent than foreign CEOs. Again, this makes sense if we account for know-

how. A CEO is an executive director who is concerned with the club's operations on a daily basis while the president is more concerned with long-term strategy. Hence it could be argued that the extra knowledge, the feeling with the supporters, etc. is more useful for the CEO in his executive role than for the president of the board of directors. A final difference is that foreign investors are steering clear of managerial ownership whereas domestic investors seem to be more accepting on this front. We could say that foreign investors are relatively more reluctant to purposely dilute their stocks even if this could come at the cost of a more poorly performing CEO.

6. Limitations and future research

Although this study definitely provided some valuable insights into the corporate governance in the European football clubs, there are definitely some limitations to this study.

The first limitation to this study concerns the data selection. More specifically the quality and reliability of the data. Although multiple sources were used to ensure the reliability of the data sample, 100% reliable data can never be assured. Some data was specifically hard to find and sometimes multiple sources contradicted each other. Specifically, managerial ownership was very hard to find. Information about the shareholder structure was seldomly accessible by the general public through the usual channels of information, i.e. the club's website, financial statements, etc. and therefor mainly Orbis was used. When using the conclusions of this study one must always keep possible wrong information in mind. On the other hand, a data sample is never free of measurement errors and we are confident in the fact that the data from our sample is accurate enough to support our findings.

Another limitation is regarding the interpretation of certain aspects. For example, managerial ownership was interpreted in this study as the CEO of the football club owning shares of the football club. If one would assume a broader interpretation of managerial ownership this could mean that managerial ownership also includes other important executive officers of football clubs, e.g. CFO, COO, etc. owning shares, remuneration of these executive officers, including the CEO, based on share price and other aspects that could be seen as managerial ownership. These were not included in this study but might be useful to add to later research.
Another aspect that can be interpreted much more broadly is board diversity. In this study only gender and nationality were part of our interpretation of board diversity but one could argue that board diversity is much larger than that. Reasonable additions might be education, former employment, experience in the football industry and even some very general demographic aspects such as age, ethnicity, etc.
All these different interpretations and extra measures could be useful to add in future research but the relevance of these measures, in the context of corporate governance of football clubs, should definitely be tested first.

Besides the broadening of certain aspects, entirely new ones can be added as well. The 8 quantifiable measures that were used in this study definitely do not form an exhaustive list that defines corporate governance form the agency theory perspective. Other quantitative and qualitative measure can be

found that would, if added to the 8 ones that were used in this study, more accurately define corporate governance from the agency theory perspective. This again shows that there is lot of room for further research.

Consequently, this fact that the complete definition of corporate governance also entails qualitative aspects opens up the possibility for a qualitative study into the corporate governance in European football clubs. This could be done to the example of Bossaert (2018) who did a qualitative analysis of the corporate governance in the Belgian sports federations.

As was mentioned earlier, this study focusses on corporate governance from the investor's or owner's point of view, i.e. according to the agency theory. However, it was also made clear that there are other points of view that could be taken on the matter of corporate governance. Studies, whether they be qualitative or quantitative, that focus on these other perspectives, e.g. the perspective of the governments, federations, supporter, etc., could also provide valuable insights into the corporate governance of European football clubs.

Finally, there are possibilities for the same study to be done with different datasets.
Firstly, this study could be conducted on different football leagues, and hence different clubs. This might be specifically interesting because all competitions that were considered in this study were already quite mature. On top of that the countries of these leagues also have economies that are of a certain maturity. Both these aspects might mean that corporate governance is already inherently more incorporated in these economies, leagues and football clubs. In this light, it might be interesting for future studies to also incorporate leagues from countries with less established economies. Secondly, the evolution of corporate governance in (European) football clubs throughout time might be interesting for future research. In this study the results for Belgium were compared to the ones obtained by Mortier (2018) but this comparison is not tremendously valuable as only the Belgian competition is discussed and there is only a time span of 2 years between both studies. An extensive study, going back dozens of years with multiple intervals, might give a very clear picture of the evolution of corporate governance in football. An important note here is that the data set for such a study would be long, 101 clubs times the amount of intervals, and would be hard to come by, assuming that older data is harder to come by. Finally, this study could be expanded to other sports as well. Not only football is getting the attention from investors but other sports as well. For example, American football, basketball and baseball clubs from North-America could be looked at. One must keep in mind that the data for other sports might not be as easily accessible as the data for football clubs, however.

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8. Appendix

8.1. Eredivisie, the Netherlands

Company Number	Club	Biggest Shareholder	% shares	Nationality	Board size	Women	Dutch	Extern	Managerial ownership	CEO Duality	President of the Board	CEO
NL33302453	AFC Ajax	Selfowned	75	Dutch	5	0	5	5	No	No	Dutch	Dutch
NL24363218	Feyenoord Rotterdam	Selfowned	51	Dutch	3	0	3	3	No	No	Dutch	Dutch
NL41238026	AZ Alkmaar	Selfowned	100	Dutch	3	1	3	3	No	No	Dutch	Dutch
NL17104199	PSV Eindhoven	Selfowned	100	Dutch	5	1	5	5	No	No	Dutch	Dutch
NL18064000	Willem II	Selfowned	100	Dutch	4	1	4	4	No	No	Dutch	Dutch
NL41179006	FC Utrecht	Frans Van Seumeren	99	Dutch	4	1	4	4	No	No	Dutch	Dutch
NL09102466	Vitesse	Valeriy Oyf	100	Foreign	3	0	1	3	No	No	Foreign	Dutch
NL63843714	Heracles Almelo	Selfowned	100	Dutch	6	0	6	6	No	No	Dutch	Dutch
NL04055375	FC Groningen	Selfowned	100	Dutch	5	0	5	5	No	No	Dutch	Dutch
NL01058956	SC Herenveen	Selfowned	100	Dutch	3	0	3	3	No	No	Dutch	Dutch
NL24328554	Sparta Rotterdam	Selfowned	100	Dutch	10	0	10	6	No	No	Dutch	Dutch
NL04078186	FC Emmen	Selfowned	100	Dutch	2	0	2	1	No	No	Dutch	Dutch
NL54338719	VVV Venlo	Selfowned	100	Dutch	3	1	3	3	No	No	Dutch	Dutch
NL08089456	FC Twente	Selfowned	75	Dutch	4	1	4	4	No	No	Dutch	Dutch
NL40061020	PEC Zwolle	Selfowned	100	Dutch	1	0	1	0	No	Yes	Dutch	Dutch
NL14059508	Fortuna Sittard	Isitan Gun	85	Foreign	4	0	3	3	No	No	Foreign	Dutch
NL27180758	ADO Den Haag	United Vansen ltd	100	Foreign	3	0	1	3	No	No	Foreign	Dutch
NL40271378	RKC Waalwijk	Selfowned	100	Dutch	4	0	4	4	No	No	Dutch	Dutch

Attachment 1.1: Dataset for the Eredivisie

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	18	1	10	4.00	1.910
Women	18	0	1	0.33	0.485
Dutch	18	1	10	3.72	2.137
Extern	18	0	6	3.61	1.539
Valid N (listwise)	18				

Frequency table					
	N	Dutch	Foreign	Dutch (%)	Foreign (%)
President of the Board	18	15	3	83.33	16.67
CEO	18	18	0	100.00	0.00
Biggest shareholder	18	15	3	83.33	16.67

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Managerial ownership	18	0	18	0.00	100.00
CEO Duality	18	1	17	5.56	94.44

Attachment 1.2: Descriptive statistics and frequencies for the Eredivisie

Independent Samples Test										
		Variances		t-test for Equality of Means						
									the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Board size	Equal variances assumed	1.112	0.307	0.651	16	0.524	0.800	1.229	-1.805	3.405
	Equal variances not assumed			1.272	13.091	0.226	0.800	0.629	-0.558	2.158
Women	Equal variances assumed	64.000	0.000	1.333	16	0.201	0.400	0.300	-0.236	1.036
	Equal variances not assumed			3.055	14.000	0.009	0.400	0.131	0.119	0.681
Dutch	Equal variances assumed	0.303	0.590	1.975	16	0.066	2.467	1.249	-0.181	5.114
	Equal variances not assumed			2.889	5.082	0.034	2.467	0.854	0.283	4.651
Extern	Equal variances assumed	4.088	0.060	0.743	16	0.468	0.733	0.987	-1.358	2.825
	Equal variances not assumed			1.703	14.000	0.111	0.733	0.431	-0.190	1.657

Group Statistics					
Nationality		N	Mean	Std. Deviation	Std. Error Mean
Board size	Dutch	15	4.13	2.066	0.533
	Foreign	3	3.33	0.577	0.333
Women	Dutch	15	0.40	0.507	0.131
	Foreign	3	0.00	0.000	0.000
Dutch	Dutch	15	4.13	2.066	0.533
	Foreign	3	1.67	1.155	0.667
Extern	Dutch	15	3.73	1.668	0.431
	Foreign	3	3.00	0.000	0.000

Attachment 1.3: Independent T-test for the Eredivisie

Crosstab

			Managerial ownership	
			No	Total
Nationality	Dutch	Count	15	15
		Expected Count	15.0	15.0
	Foreign	Count	3	3
		Expected Count	3.0	3.0
Total		Count	18	18
		Expected Count	18.0	18.0

Chi-Square Tests

	Value
Pearson Chi-Square	.[a]
N of Valid Cases	18

a. No statistics are computed because Managerial ownership is a constant.

Attachment 1.4: Managerial ownership in the Eredivisie

Crosstab

			CEO Duality		
			No	Yes	Total
Nationality	Dutch	Count	14	1	15
		Expected Count	14.2	0.8	15.0
	Foreign	Count	3	0	3
		Expected Count	2.8	0.2	3.0
Total		Count	17	1	18
		Expected Count	17.0	1.0	18.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	,212[a]	1	0.645		
Continuity Correction[b]	0.000	1	1.000		
Likelihood Ratio	0.376	1	0.540		
Fisher's Exact Test				1.000	0.833
N of Valid Cases	18				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is ,17.

b. Computed only for a 2x2 table

Attachment 1.5: CEO duality in the Eredivisie

Crosstab

			President of the Board		
			Dutch	Foreign	Total
Nationality	Dutch	Count	15	0	15
		Expected Count	12.5	2.5	15.0
	Foreign	Count	0	3	3
		Expected Count	2.5	0.5	3.0
Total		Count	15	3	18
		Expected Count	15.0	3.0	18.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	18,000[a]	1	0.000		
Continuity Correction[b]	11.520	1	0.001		
Likelihood Ratio	16.220	1	0.000		
Fisher's Exact Test				0.001	0.001
N of Valid Cases	18				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is ,50.

b. Computed only for a 2x2 table

Attachment 1.6: President nationality in the Eredivisie

Crosstab

			CEO	
			Dutch	Total
Nationality	Dutch	Count	15	15
		Expected Count	15.0	15.0
	Foreign	Count	3	3
		Expected Count	3.0	3.0
Total		Count	18	18
		Expected Count	18.0	18.0

Chi-Square Tests

	Value
Pearson Chi-Square	.[a]
N of Valid Cases	18

a. No statistics are computed because CEO is a constant.

Attachment 1.7: CEO nationality in the Eredivisie

8.2. Premier League, Great Britain

Company Number	Club	Biggest Shareholder	% shares	Nationality	Board size	Women	British	Extern	Managerial ownership	CEO Duality	President of the Board	CEO
GB00035668	Liverpool FC	Fenway Sports	100	Foreign	7	0	3	6	No	No	Foreign	British
GB00040946	Manchester City	Sheikh Mansour bin Zayed Al Nahyan	75	Foreign	8	0	2	8	No	No	Foreign	Foreign
GB04593477	Leicester City	Aiyawatt Srivaddhanaprabha	55	Foreign	4	2	0	3	No	No	Foreign	Foreign
GB02536231	Chelsea FC	Roman Abramovich	100	Foreign	4	1	2	3	No	No	British	British
GB00095489	Manchester United	Dispersed	0	Foreign	12	1	6	7	No	No	Foreign	British
GB01989823	Wolverhampton Wanderers	Guangchang Guo	85	Foreign	5	0	3	3	No	Yes	Foreign	Foreign
GBWL7531445	Sheffield United	H.R.H. Prince Abdullah bin Mosaad bin Abdulaziz Al Saud	100	Foreign	5	1	0	5	No	No	Foreign	British
GB00057186	Tottenham Hotspur	ENIC International ltd	85	British	5	2	5	1	Yes	Yes	British	British
GB04250459	Arsenal FC	Stan Kroenke	100	Foreign	5	0	3	5	No	No	British	British
GB00054222	Burnley FC	Dispersed	0	British	7	0	7	0	No	No	British	British
GB07270793	Crystal Palace	Palace Holdco LP	67	Foreign	3	0	1	3	No	No	British	British
GB00036624	Eveton	Fahrad Moshiri	77	Foreign	4	1	3	3	No	No	British	British
GB00031014	Newcastle United	Ashley Wallace	100	British	1	0	1	0	No	Yes	British	British
GB00053301	Southampton FC	Ji Sheng Gao	80	Foreign	5	1	3	1	No	No	Foreign	British
GB00081077	Brighton And Hove Albion	Tony Bloom	75	British	11	1	11	8	No	No	British	British
GB00066516	West Ham United	David Sullivan	51	British	6	2	5	2	Yes	Yes	British	British
GB00104194	Watford FC	Gino Pozzo	?	Foreign	3	0	3	2	No	Yes	British	British
GB06632170	AFC Bournemouth	Maxim Demin	100	Foreign	4	0	3	3	No	No	British	British
GB02502822	Aston Villa	Nassef Sawiris & Wesley Edens	55	Foreign	3	0	2	2	No	No	Foreign	British
GB00154044	Norwich City	Michael Wynn & Delia Smith	53	British	5	1	5	2	No	No	British	British

Attachment 2.1: Dataset for the Premier League

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	20	1	12	5.35	2.641
Women	20	0	2	0.65	0.745
British	20	0	11	3.40	2.583
Extern	20	0	8	3.35	2.412
Valid N (listwise)	20				

Frequency table					
	N	British	Foreign	British (%)	Foreign (%)
President of the Board	20	12	8	60.00	40.00
CEO	20	17	3	85.00	15.00
Biggest shareholder	20	6	14	30.00	70.00

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Managerial ownership	20	2	18	10.00	90.00
CEO Duality	20	5	15	25.00	75.00

Attachment 2.2: Descriptive statistics and frequencies for the Premier League

Independent Samples Test										
		Variances		t-test for Equality of Means						
									the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Board size	Equal variances assumed	0.311	0.584	0.525	18	0.606	0.690	1.314	-2.070	3.451
	Equal variances not assumed			0.467	7.548	0.654	0.690	1.479	-2.757	4.137
Women	Equal variances assumed	0.303	0.589	1.410	18	0.175	0.500	0.354	-0.245	1.245
	Equal variances not assumed			1.236	7.378	0.254	0.500	0.404	-0.446	1.446
British	Equal variances assumed	2.676	0.119	3.095	18	0.006	3.238	1.046	1.040	5.436
	Equal variances not assumed			2.325	5.932	0.060	3.238	1.393	-0.179	6.655
Extern	Equal variances assumed	0.151	0.702	-1.481	18	0.156	-1.690	1.142	-4.089	0.708
	Equal variances not assumed			-1.264	7.064	0.246	-1.690	1.338	-4.848	1.467

Group Statistics					
Nationality		N	Mean	Std. Deviation	Std. Error Mean
Board size	British	6	5.83	3.251	1.327
	Foreign	14	5.14	2.445	0.653
Women	British	6	1.00	0.894	0.365
	Foreign	14	0.50	0.650	0.174
British	British	6	5.67	3.266	1.333
	Foreign	14	2.43	1.505	0.402
Extern	British	6	2.17	2.994	1.222
	Foreign	14	3.86	2.033	0.543

Attachment 2.3: Independent T-test for the Premier League

Crosstab

			Managerial ownership		
			No	Yes	Total
Nationality	British	Count	4	2	6
		Expected Count	5.4	0.6	6.0
	Foreign	Count	14	0	14
		Expected Count	12.6	1.4	14.0
Total		Count	18	2	20
		Expected Count	18.0	2.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	5,185[a]	1	0.023		
Continuity Correction[b]	2.143	1	0.143		
Likelihood Ratio	5.365	1	0.021		
Fisher's Exact Test				0.079	0.079
N of Valid Cases	20				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is ,60.

b. Computed only for a 2x2 table

Attachment 2.4: Managerial ownership in the Premier League

Crosstab

			CEO Duality		
			No	Yes	Total
Nationality	British	Count	3	3	6
		Expected Count	4.5	1.5	6.0
	Foreign	Count	12	2	14
		Expected Count	10.5	3.5	14.0
Total		Count	15	5	20
		Expected Count	15.0	5.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	2,857[a]	1	0.091		
Continuity Correction[b]	1.270	1	0.260		
Likelihood Ratio	2.692	1	0.101		
Fisher's Exact Test				0.131	0.131
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is 1,50.

b. Computed only for a 2x2 table

Attachment 2.5: CEO duality in the Premier League

Crosstab

			President of the Board		
			British	Foreign	Total
Nationality	British	Count	6	0	6
		Expected Count	3.6	2.4	6.0
	Foreign	Count	6	8	14
		Expected Count	8.4	5.6	14.0
Total		Count	12	8	20
		Expected Count	12.0	8.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	5,714[a]	1	0.017		
Continuity Correction[b]	3.581	1	0.058		
Likelihood Ratio	7.799	1	0.005		
Fisher's Exact Test				0.042	0.024
N of Valid Cases	20				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is 2,40.

b. Computed only for a 2x2 table

Attachment 2.6: President nationality in the Premier League

Crosstab

			CEO		
			British	Foreign	Total
Nationality	British	Count	6	0	6
		Expected Count	5.1	0.9	6.0
	Foreign	Count	11	3	14
		Expected Count	11.9	2.1	14.0
Total		Count	17	3	20
		Expected Count	17.0	3.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1,513[a]	1	0.219		
Continuity Correction[b]	0.299	1	0.585		
Likelihood Ratio	2.360	1	0.124		
Fisher's Exact Test				0.521	0.319
N of Valid Cases	20				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is ,90.

b. Computed only for a 2x2 table

Attachment 2.7: CEO nationality in the Premier League

8.3. Serie A, Italy

Company Number	Club	Biggest Shareholder	% shares	Nationality	Board size	Women	Italian	Extern	Managerial ownership	CEO Duality	President of the Board	CEO
IT00470470014	Juventus	Agnelli Family	51	Italian	9	3	7	4	No	No	Italian	Italian
IT80109710584	Lazio Roma	Claudio Lotito	66	Italian	11	3	11	2	No	No	Italian	Italian
IT80066310154	Internazionale	Jiangsu Suning Sports	99	Foreign	9	0	2	7	No	No	Foreign	Italian
IT80000130163	Atalanta	Antonio Percassi	70	Italian	9	0	9	9	No	No	Italian	Italian
IT03294210582	AS Roma	James Palotta	79	Foreign	13	5	4	13	No	No	Foreign	Italian
IT04855461218	Napoli	Aurelio de Laurentiis	?	Italian	5	2	4	1	Yes	Yes	Italian	Italian
IT01073200154	AC Milan	Elliot	99	Foreign	9	0	7	8	No	No	Italian	Foreign
IT02284490238	Hellas Verona	Maurizio Setti	100	Italian	1	0	1	1	No	No	Italian	Italian
IT02767420348	Parma Calcio 1913	Nuovo Inizio	60	Italian	5	0	5	4	No	No	Italian	Italian
IT02260700378	Bologna FC	Joey Supato	99	Foreign	4	0	1	3	No	No	Foreign	Italian
IT84008950366	US Sassuolo	Squinzi Family	100	Italian	6	1	6	2	No	No	Italian	Italian
IT00271200925	Cagliari Calcio	Tommaso Giulini	92	Italian	8	1	8	1	No	No	Italian	Italian
IT05248440488	ACF Fiorentina	Rocco Comisso	93	Italian	4	0	4	3	No	No	Italian	Foreign
IT00442660304	Udinese Calcio	Giampaolo Pozzo	100	Italian	4	0	4	3	No	No	Italian	Italian
IT09012680014	Torino FC	Urbano Cairo	100	Italian	5	0	5	5	No	No	Italian	Italian
IT80036450106	UC Sampdoria	Ferrero Family	99	Italian	7	0	7	6	Yes	Yes	Italian	Italian
IT80033270101	Genoa CFC	Enrico Preziosi	99	Italian	4	0	4	2	No	No	Italian	Italian
IT80010360750	US Lecce	Renato Piciotto	39	Italian	9	2	9	9	No	No	Italian	Italian
IT00858930381	S.P.A.L	Simone Colombarini	68	Italian	3	0	3	2	No	No	Italian	Italian
IT80005910171	Brescia Calcio	Massimo Cellino	100	Italian	6	0	4	6	No	No	Italian	Italian

Attachment 3.1: Dataset for the Serie A

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	20	1	13	6.55	3.000
Women	20	0	5	0.85	1.424
Italian	20	1	11	5.25	2.712
Extern	20	1	13	4.55	3.284
Valid N (listwise)	20				

Frequency table					
	N	Italian	Foreign	Italian (%)	Foreign (%)
President c	20	17	3	85.00	15.00
CEO	20	18	2	90.00	10.00
Biggest sha	20	16	4	80.00	20.00

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Manageria	20	2	18	10.00	90.00
CEO Dualit	20	2	18	10.00	90.00

Attachment 3.2: Descriptive statistics and frequencies for the Serie A

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Board size	Equal variances assumed	0.069	0.795	-1.723	18	0.102	-2.750	1.596	-6.103	0.603
	Equal variances not assumed			-1.404	3.818	0.236	-2.750	1.959	-8.293	2.793
Women	Equal variances assumed	5.260	0.034	-0.618	18	0.545	-0.500	0.810	-2.201	1.201
	Equal variances not assumed			-0.390	3.310	0.720	-0.500	1.281	-4.370	3.370
Italian	Equal variances assumed	0.037	0.850	1.488	18	0.154	2.188	1.470	-0.900	5.275
	Equal variances not assumed			1.481	4.604	0.204	2.188	1.477	-1.709	6.084
Extern	Equal variances assumed	0.465	0.504	-2.448	18	0.025	-4.000	1.634	-7.432	-0.568
	Equal variances not assumed			-1.853	3.632	0.145	-4.000	2.158	-10.239	2.239

Group Statistics					
Nationality		N	Mean	Std. Deviation	Std. Error Mean
Board size	Italian	16	6.00	2.658	0.665
	Foreign	4	8.75	3.686	1.843
Women	Italian	16	0.75	1.125	0.281
	Foreign	4	1.25	2.500	1.250
Italian	Italian	16	5.69	2.626	0.656
	Foreign	4	3.50	2.646	1.323
Extern	Italian	16	3.75	2.620	0.655
	Foreign	4	7.75	4.113	2.056

Attachment 3.3: Independent T-test for the Serie A

Crosstab

			Managerial ownership		
			No	Yes	Total
Nationality	Foreign	Count	4	0	4
		Expected Count	3.6	0.4	4.0
	Italian	Count	14	2	16
		Expected Count	14.4	1.6	16.0
Total		Count	18	2	20
		Expected Count	18.0	2.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	,556[a]	1	0.456		
Continuity Correction[b]	0.000	1	1.000		
Likelihood Ratio	0.947	1	0.331		
Fisher's Exact Test				1.000	0.632
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 3.4: Managerial ownership in the Serie A

Crosstab

			CEO Duality		
			No	Yes	Total
Nationality	Foreign	Count	4	0	4
		Expected Count	3.6	0.4	4.0
	Italian	Count	14	2	16
		Expected Count	14.4	1.6	16.0
Total		Count	18	2	20
		Expected Count	18.0	2.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	,556[a]	1	0.456		
Continuity Correction[b]	0.000	1	1.000		
Likelihood Ratio	0.947	1	0.331		
Fisher's Exact Test				1.000	0.632
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 3.5: CEO duality in the Serie A

Crosstab

			President of the Board		
			Foreign	Italian	Total
Nationality	Foreign	Count	3	1	4
		Expected Count	0.6	3.4	4.0
	Italian	Count	0	16	16
		Expected Count	2.4	13.6	16.0
Total		Count	3	17	20
		Expected Count	3.0	17.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	14,118[a]	1	0.000		
Continuity Correction[b]	8.848	1	0.003		
Likelihood Ratio	12.410	1	0.000		
Fisher's Exact Test				0.004	0.004
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is .60.

b. Computed only for a 2x2 table

Attachment 3.6: President nationality in the Serie A

Crosstab

			CEO		
			Foreign	Italian	Total
Nationality	Foreign	Count	1	3	4
		Expected Count	0.4	3.6	4.0
	Italian	Count	1	15	16
		Expected Count	1.6	14.4	16.0
Total		Count	2	18	20
		Expected Count	2.0	18.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1,250[a]	1	0.264		
Continuity Correction[b]	0.035	1	0.852		
Likelihood Ratio	1.023	1	0.312		
Fisher's Exact Test				0.368	0.368
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is .40.

b. Computed only for a 2x2 table

Attachment 3.7: CEO nationality in the Serie A

8.4. Ligue 1, France

Company Number	Club	Biggest Shareholder	% shares	Nationality	Board size	Women	French	Extern	Managerial ownership	CEO Duality	President of the Board	CEO
FR382357721	Paris Saint-Germain	Oryx Qatar Sport Investments	100	Foreign	5	1	0	4	No	Yes	Foreign	Foreign
FR401887401	Olympique de Marseille	Frank McCourt	95	Foreign	5	0	2	3	No	No	Foreign	French
FR344366232	Stade Rennais	Pinault Family	99	French	6	0	6	5	No	No	French	French
FR319633749	LOSC Lille	Gerard Lopez	80	Foreign	5	0	0	4	Yes	No	Foreign	Foreign
FR441164340	Stade de Reims	Jean-Pierre Caillot	?	French	3	0	3	2	Yes	Yes	French	French
FR404115198	OGC Nice	James Ratcliffe/Ineos	50	Foreign	5	0	3	3	No	No	Foreign	French
FR421577495	Olympique Lyonnais	Jean Michel Aulas	27	French	14	6	11	6	Yes	Yes	French	French
FR438180523	Montpellier HSC	Nicollin Family	100	French	2	0	2	0	Yes	Yes	French	French
MC01503960	AS Monaco	Dmitry Rybolovlev	50	Foreign	5	0	2	1	No	No	Foreign	Foreign
FR347863102	Angers SCO	Said Chabane	52	French	5	0	5	4	No	No	French	French
FR751303967	RC Strasbourg	Marc Keller	50	French	1	0	1	0	Yes	Yes	French	French
FR383872892	Girondins de Bordeaux	King Street	86	Foreign	10	0	4	9	No	Yes	French	French
FR388113276	FC Nantes	Waldemar Kita	100	Foreign	4	0	2	2	Yes	Yes	Foreign	Foreign
FR399739663	Stade Brestois	Denis & Gerard Le Saint	50	French	6	0	6	4	Yes	Yes	French	French
FR403699721	FC Metz	Bernard Serin	33	French	9	0	9	9	No	No	French	French
FR454072257	Dijon FCO	Olivier Delcourt	75	French	4	1	4	3	No	No	French	French
FR408630069	AS Saint-Etienne	Bernard Caiazzo & Rolland Romeyer	87	French	16	0	16	13	Yes	No	French	French
FR332492271	Nimes Olympique	Rani Assaf	77	French	9	0	9	7	Yes	Yes	French	French
FR439925504	Amiens SC	Bernard Joannin	73	French	8	1	8	7	Yes	Yes	French	French
FR438958993	Toulouse FC	Olivier Sadran	83	French	6	1	5	6	No	No	French	French

Attachment 4.1: Dataset for the Ligue 1

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	20	1	16	6.40	3.719
Women	20	0	6	0.50	1.357
French	20	0	16	4.90	4.051
Extern	20	0	13	4.60	3.267
Valid N (listwise)	20				

Frequency table					
	N	French	Foreign	French (%)	Foreign (%)
President c	20	14	6	70.00	30.00
CEO	20	16	4	80.00	20.00
Biggest sha	20	13	7	65.00	35.00

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Manageria	20	10	10	50.00	50.00
CEO Dualit	20	10	10	50.00	50.00

Attachment 4.2: Descriptive statistics and frequencies for the Ligue 1

Independent Samples Test										
		Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	the Difference Lower	the Difference Upper
Board size	Equal variances assumed	3.615	0.073	0.722	18	0.480	1.275	1.766	-2.435	4.985
	Equal variances not assumed			0.890	17.733	0.385	1.275	1.432	-1.736	4.286
Women	Equal variances assumed	1.962	0.178	0.857	18	0.402	0.549	0.641	-0.797	1.896
	Equal variances not assumed			1.145	14.177	0.271	0.549	0.480	-0.479	1.578
French	Equal variances assumed	4.509	0.048	2.909	18	0.009	4.681	1.609	1.300	8.062
	Equal variances not assumed			3.720	16.541	0.002	4.681	1.258	2.021	7.342
Extern	Equal variances assumed	1.074	0.314	0.885	18	0.388	1.363	1.540	-1.874	4.599
	Equal variances not assumed			0.980	16.293	0.341	1.363	1.390	-1.580	4.305

Group Statistics					
Nationality		N	Mean	Std. Deviation	Std. Error Mean
Board size	French	13	6.85	4.394	1.219
	Foreign	7	5.57	1.988	0.751
Women	French	13	0.69	1.653	0.458
	Foreign	7	0.14	0.378	0.143
French	French	13	6.54	4.075	1.130
	Foreign	7	1.86	1.464	0.553
Extern	French	13	5.08	3.593	0.997
	Foreign	7	3.71	2.563	0.969

Attachment 4.3: Independent T-test for the Ligue 1

Crosstab

			Managerial ownership		
			No	Yes	Total
Nationality	Foreign	Count	5	2	7
		Expected Count	3.5	3.5	7.0
	French	Count	5	8	13
		Expected Count	6.5	6.5	13.0
Total		Count	10	10	20
		Expected Count	10.0	10.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1,978[a]	1	0.160		
Continuity Correction[b]	0.879	1	0.348		
Likelihood Ratio	2.027	1	0.155		
Fisher's Exact Test				0.350	0.175
N of Valid Cases	20				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 4.4: Managerial ownership in the Ligue 1

Crosstab

			CEO Duality		
			No	Yes	Total
Nationality	Foreign	Count	4	3	7
		Expected Count	3.5	3.5	7.0
	French	Count	6	7	13
		Expected Count	6.5	6.5	13.0
Total		Count	10	10	20
		Expected Count	10.0	10.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	,220[a]	1	0.639		
Continuity Correction[b]	0.000	1	1.000		
Likelihood Ratio	0.220	1	0.639		
Fisher's Exact Test				1.000	0.500
N of Valid Cases	20				

a. 2 cells (50,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 4.5: CEO duality in Ligue 1

Crosstab

			President of the Board		
			Foreign	French	Total
Nationality	Foreign	Count	6	1	7
		Expected Count	2.1	4.9	7.0
	French	Count	0	13	13
		Expected Count	3.9	9.1	13.0
Total		Count	6	14	20
		Expected Count	6.0	14.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	15,918[a]	1	0.000		
Continuity Correction[b]	12.098	1	0.001		
Likelihood Ratio	18.693	1	0.000		
Fisher's Exact Test				0.000	0.000
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 4.6: President nationality in the Ligue 1

Crosstab

			CEO		
			Foreign	Italian	Total
Nationality	Foreign	Count	1	3	4
		Expected Count	0.4	3.6	4.0
	Italian	Count	1	15	16
		Expected Count	1.6	14.4	16.0
Total		Count	2	18	20
		Expected Count	2.0	18.0	20.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1,250[a]	1	0.264		
Continuity Correction[b]	0.035	1	0.852		
Likelihood Ratio	1.023	1	0.312		
Fisher's Exact Test				0.368	0.368
N of Valid Cases	20				

a. 3 cells (75,0%) have expected count less than 5. The minimum expected count is

b. Computed only for a 2x2 table

Attachment 4.7: CEO nationality in the Ligue 1

League	Club	Biggest Shareholder	% shares	Nationality	Board size	Women	Domestic	Extern	Managerial ownership	CEO Duality	President of the Board	CEO
BE	Club Brugge	Bart Verhaeghe	75	Domestic	6	0	6	5	Yes	No	Domestic	Domestic
BE	Anderlecht	Marc Coucke	75	Domestic	9	1	9	5	No	No	Domestic	Domestic
BE	AA Gent	Ivan Dewitte + Michel Louwagie	40	Domestic	11	1	11	10	Yes	No	Domestic	Domestic
BE	Standard Liege	Bruno Venanzi	99.99	Domestic	8	0	8	4	No	No	Domestic	Domestic
BE	Racing Genk	Dispersed	0	Domestic	7	0	7	7	No	No	Domestic	Domestic
BE	KV Oostende	Franck Dierckens	92	Domestic	4	0	4	1	Yes	Yes	Domestic	Domestic
BE	Charleroi	Fabien Debecq	95	Domestic	3	0	2	1	Yes	No	Foreign	Domestic
BE	Antwerp	Paul Gheysens	100	Domestic	5	1	4	4	Yes	Yes	Domestic	Domestic
BE	KV Mechelen	Dieter Penninckx	70	Domestic	7	0	7	7	No	No	Domestic	Domestic
BE	KV Kortrijk	Vincent Tan	81	Foreign	10	0	5	9	No	No	Domestic	Foreign
BE	Zulte Waregem	Tony Beeuwsaert	?	Domestic	10	1	10	9	No	No	Domestic	Domestic
BE	Moeskroen	BOGO ltd	90	Foreign	5	0	2	4	No	No	Domestic	Domestic
BE	Sint Truiden	DMM.com	100	Foreign	4	0	2	3	No	No	Domestic	Foreign
BE	KAS Eupen	Aspire Zone Foundation	100	Foreign	3	0	0	3	No	No	Foreign	Domestic
BE	Waasland Beveren	Dispersed	0	Domestic	9	0	9	5	No	Yes	Domestic	Domestic
BE	Cercle Brugge	AS Monaco	60	Foreign	5	0	3	5	No	No	Domestic	Foreign
BE	Westerlo	Oktay Ercan	100	Foreign	4	0	1	3	No	No	Foreign	Domestic
BE	Virton	Flavio Becca	?	Foreign	2	0	2	2	No	No	Foreign	Foreign
BE	OH Leuven	King Power group	92	Foreign	5	1	1	5	No	No	Foreign	Domestic
BE	Union	Tony Bloom	96	Foreign	7	1	3	6	No	No	Foreign	Domestic
BE	Lommel Utd	Udi Shochatovitch	90	Foreign	5	0	3	4	No	No	Domestic	Domestic
BE	Roeselare	Xiu Li Hawken	?	Foreign	5	1	3	5	No	No	Domestic	Foreign
BE	Lokeren	Louis De Vries	100	Domestic	6	1	5	5	Yes	Yes	Domestic	Domestic
NL	AFC Ajax	Selfowned	75	Domestic	5	0	5	5	No	No	Domestic	Domestic
NL	Feyenoord Rotterda	Selfowned	51	Domestic	3	0	3	3	No	No	Domestic	Domestic
NL	AZ Alkmaar	Selfowned	100	Domestic	3	1	3	3	No	No	Domestic	Domestic
NL	PSV Eindhoven	Selfowned	100	Domestic	5	1	5	5	No	No	Domestic	Domestic
NL	Willem II	Selfowned	100	Domestic	4	1	4	4	No	No	Domestic	Domestic
NL	FC Utrecht	Frans Van Seumeren	99	Domestic	4	1	4	4	No	No	Domestic	Domestic
NL	Vitesse	Valeriy Oyf	100	Foreign	3	0	1	3	No	No	Foreign	Domestic
NL	Heracles Almelo	Selfowned	100	Domestic	6	0	6	6	No	No	Domestic	Domestic
NL	FC Groningen	Selfowned	100	Domestic	5	0	5	5	No	No	Domestic	Domestic
NL	SC Herenveen	Selfowned	100	Domestic	3	0	3	3	No	No	Domestic	Domestic
NL	Sparta Rotterdam	Selfowned	100	Domestic	10	0	10	6	No	No	Domestic	Domestic
NL	FC Emmen	Selfowned	100	Domestic	2	0	2	1	No	No	Domestic	Domestic
NL	VVV Venlo	Selfowned	100	Domestic	3	1	3	3	No	No	Domestic	Domestic
NL	FC Twente	Selfowned	75	Domestic	4	1	4	4	No	No	Domestic	Domestic
NL	PEC Zwolle	Selfowned	100	Domestic	1	0	1	0	No	Yes	Domestic	Domestic
NL	Fortuna Sittard	Isitan Gun	85	Foreign	4	0	3	3	No	No	Foreign	Domestic
NL	ADO Den Haag	United Vansen ltd	100	Foreign	3	0	1	3	No	No	Foreign	Domestic
NL	RKC Waalwijk	Selfowned	100	Domestic	4	0	4	4	No	No	Domestic	Domestic

UK	Liverpool FC	Fenway Sports	100	Foreign	7	0	3	6	No	No	Foreign	Domestic
UK	Manchester City	Sheikh Mansour bin Zayed Al Nah	75	Foreign	8	0	2	8	No	No	Foreign	Foreign
UK	Leicester City	Aiyawatt Srivaddhanaprabha	55	Foreign	4	2	0	3	No	No	Foreign	Foreign
UK	Chelsea FC	Roman Abramovich	100	Foreign	4	1	2	3	No	No	Domestic	Domestic
UK	Manchester United	Dispersed	0	Foreign	12	1	6	7	No	No	Foreign	Domestic
UK	Wolverhampton W	Guangchang Guo	85	Foreign	5	0	3	3	No	Yes	Foreign	Foreign
UK	Sheffield United	H.R.H. Prince Abdullah bin Mosaa	100	Foreign	5	1	0	5	No	No	Foreign	Domestic
UK	Tottenham Hotspur	ENIC International ltd	85	Domestic	5	2	5	1	Yes	Yes	Domestic	Domestic
UK	Arsenal FC	Stan Kroenke	100	Foreign	5	0	3	5	No	No	Domestic	Domestic
UK	Burnley FC	Dispersed	0	Domestic	7	0	7	0	No	No	Domestic	Domestic
UK	Crystal Palace	Palace Holdco LP	67	Foreign	3	0	1	3	No	No	Domestic	Domestic
UK	Eveton	Fahrad Moshiri	77	Foreign	4	1	3	3	No	No	Domestic	Domestic
UK	Newcastle United	Ashley Wallace	100	Domestic	1	0	1	0	No	Yes	Domestic	Domestic
UK	Southampton FC	Ji Sheng Gao	80	Foreign	5	1	3	1	No	No	Foreign	Domestic
UK	Brighton And Hove	Tony Bloom	75	Domestic	11	1	11	8	No	No	Domestic	Domestic
UK	West Ham United	David Sullivan	51	Domestic	6	2	5	2	Yes	Yes	Domestic	Domestic
UK	Watford FC	Gino Pozzo	?	Foreign	3	0	3	2	No	Yes	Domestic	Domestic
UK	AFC Bournemouth	Maxim Demin	100	Foreign	4	0	3	3	No	No	Domestic	Domestic
UK	Aston Villa	Nassef Sawiris & Wesley Edens	55	Foreign	3	0	2	2	No	No	Foreign	Domestic
UK	Norwich City	Michael Wynn & Delia Smith	53	Domestic	5	1	5	2	No	No	Domestic	Domestic
IT	Juventus	Agnelli Family	51	Domestic	9	3	7	4	No	No	Domestic	Domestic
IT	Lazio Roma	Claudio Lotito	66	Domestic	11	3	11	2	No	No	Domestic	Domestic
IT	Internazionale	Jiangsu Suning Sports	99	Foreign	9	0	2	7	No	No	Foreign	Domestic
IT	Atalanta	Antonio Percassi	70	Domestic	9	0	9	9	No	No	Domestic	Domestic
IT	AS Roma	James Palotta	79	Foreign	13	5	4	13	No	No	Foreign	Domestic
IT	Napoli	Aurelio de Laurentiis	?	Domestic	5	2	4	1	Yes	Yes	Domestic	Domestic
IT	AC Milan	Elliot	99	Foreign	9	0	7	8	No	No	Domestic	Foreign
IT	Hellas Verona	Maurizio Setti	100	Domestic	1	0	1	1	No	No	Domestic	Domestic
IT	Parma Calcio 1913	Nuovo Inizio	60	Domestic	5	0	5	4	No	No	Domestic	Domestic
IT	Bologna FC	Joey Supato	99	Foreign	4	0	1	3	No	No	Foreign	Domestic
IT	US Sassuolo	Squinzi Family	100	Domestic	6	1	6	2	No	No	Domestic	Domestic
IT	Cagliari Calcio	Tommaso Giulini	92	Domestic	8	1	8	1	No	No	Domestic	Domestic
IT	ACF Fiorentina	Rocco Comisso	93	Domestic	4	0	4	3	No	No	Domestic	Foreign
IT	Udinese Calcio	Giampaolo Pozzo	100	Domestic	4	0	4	3	No	No	Domestic	Domestic
IT	Torino FC	Urbano Cairo	100	Domestic	5	0	5	5	No	No	Domestic	Domestic
IT	UC Sampdoria	Fererro Family	99	Domestic	7	0	7	6	Yes	Yes	Domestic	Domestic
IT	Genoa CFC	Enrico Preziosi	99	Domestic	4	0	4	2	No	No	Domestic	Domestic
IT	US Lecce	Renato Piciotto	39	Domestic	9	2	9	9	No	No	Domestic	Domestic
IT	S.P.A.L	Simone Colombarini	68	Domestic	3	0	3	2	No	No	Domestic	Domestic
IT	Brescia Calcio	Massimo Cellino	100	Domestic	6	0	4	6	No	No	Domestic	Domestic

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FR	Paris Saint-Germain	Oryx Qatar Sport Investments	100	Foreign	5	1	0	4	No	Yes	Foreign	Foreign
FR	Olympique de Mars	Frank McCourt	95	Foreign	5	0	2	3	No	No	Foreign	Domestic
FR	Stade Rennais	Pinault Family	99	Domestic	6	0	6	5	No	No	Domestic	Domestic
FR	LOSC Lille	Gerard Lopez	80	Foreign	5	0	0	4	Yes	No	Foreign	Foreign
FR	Stade de Reims	Jean-Pierre Caillot	?	Domestic	3	0	3	2	Yes	Yes	Domestic	Domestic
FR	OGC Nice	James Ratcliffe/Ineos	50	Foreign	5	0	3	3	No	No	Foreign	Domestic
FR	Olympique Lyonnais	Jean Michel Aulas	27	Domestic	14	6	11	6	Yes	Yes	Domestic	Domestic
FR	Montpellier HSC	Nicollin Family	100	Domestic	2	0	2	0	Yes	Yes	Domestic	Domestic
FR	AS Monaco	Dmitry Rybolovlev	50	Foreign	5	0	2	1	No	No	Foreign	Foreign
FR	Angers SCO	Said Chabane	52	Domestic	5	0	5	4	No	No	Domestic	Domestic
FR	RC Strasbourg	Marc Keller	50	Domestic	1	0	1	0	Yes	Yes	Domestic	Domestic
FR	Girondins de Bordea	King Street	86	Foreign	10	0	4	9	No	Yes	Domestic	Domestic
FR	FC Nantes	Waldemar Kita	100	Foreign	4	0	2	2	Yes	Yes	Foreign	Foreign
FR	Stade Brestois	Denis & Gerard Le Saint	50	Domestic	6	0	6	4	Yes	Yes	Domestic	Domestic
FR	FC Metz	Bernard Serin	33	Domestic	9	0	9	9	No	No	Domestic	Domestic
FR	Dijon FCO	Olivier Delcourt	75	Domestic	4	1	4	3	No	No	Domestic	Domestic
FR	AS Saint-Etienne	Bernard Caiazzo & Rolland Rome	87	Domestic	16	0	16	13	Yes	No	Domestic	Domestic
FR	Nimes Olympique	Rani Assaf	77	Domestic	9	0	9	7	Yes	Yes	Domestic	Domestic
FR	Amiens SC	Bernard Joannin	73	Domestic	8	1	8	7	Yes	Yes	Domestic	Domestic
FR	Toulouse FC	Olivier Sadran	83	Domestic	6	1	5	6	No	No	Domestic	Domestic

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Board size	101	1	16	5.72	2.906
Women	101	0	6	0.53	0.986
Domestic	101	0	16	4.41	3.040
Extern	101	0	13	4.23	2.679
Valid N (listwise)	101				

Frequency table					
	N	Domestic	Foreign	Domestic (%)	Foreign (%)
President of the Board	101	75	26	74.26	25.74
CEO	101	87	14	86.14	13.86
Biggest shareholder	101	62	39	61.39	38.61

Frequency table					
	N	Yes	No	Yes (%)	No (%)
Managerial ownership	101	20	81	19.80	80.20
CEO Duality	101	22	79	21.78	78.22

Attachment 5.2: Descriptive statistics and frequencies for the European football industry

Independent Samples Test										
		Variances		t-test for Equality of Means						
									the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Board size	Equal variances assumed	1.991	0.161	0.856	99	0.394	0.509	0.595	-0.671	1.689
	Equal variances not assumed			0.896	92.123	0.373	0.509	0.568	-0.620	1.638
Women	Equal variances assumed	0.973	0.326	1.006	99	0.317	0.203	0.201	-0.197	0.602
	Equal variances not assumed			1.035	88.256	0.303	0.203	0.196	-0.186	0.592
Domestic	Equal variances assumed	14.911	0.000	6.440	99	0.000	3.376	0.524	2.336	4.417
	Equal variances not assumed			7.363	95.966	0.000	3.376	0.459	2.466	4.287
Extern	Equal variances assumed	0.636	0.427	-0.313	99	0.755	-0.172	0.550	-1.263	0.919
	Equal variances not assumed			-0.321	87.507	0.749	-0.172	0.536	-1.238	0.894

Group Statistics					
Nationality		N	Mean	Std. Deviation	Std. Error Mean
Board size	Domestic	62	5.92	3.112	0.395
	Foreign	39	5.41	2.552	0.409
Women	Domestic	62	0.61	1.030	0.131
	Foreign	39	0.41	0.910	0.146
Domestic	Domestic	62	5.71	3.027	0.384
	Foreign	39	2.33	1.562	0.250
Extern	Domestic	62	4.16	2.800	0.356
	Foreign	39	4.33	2.506	0.401

Attachment 5.3: Independent T-test for the European football industry

Crosstab

			Managerial ownership		
			No	Yes	Total
Nationality	Domestic	Count	44	18	62
		Expected Count	49.7	12.3	62.0
	Foreign	Count	37	2	39
		Expected Count	31.3	7.7	39.0
Total		Count	81	20	101
		Expected Count	81.0	20.0	101.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	8,614[a]	1	0.003		
Continuity Correction[b]	7.175	1	0.007		
Likelihood Ratio	10.044	1	0.002		
Fisher's Exact Test				0.004	0.002
N of Valid Cases	101				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 7,72.

b. Computed only for a 2x2 table

Attachment 5.4: Managerial ownership in the European football industry

Crosstab

			CEO Duality		
			No	Yes	Total
Nationality	Domestic	Count	45	17	62
		Expected Count	48.5	13.5	62.0
	Foreign	Count	34	5	39
		Expected Count	30.5	8.5	39.0
Total		Count	79	22	101
		Expected Count	79.0	22.0	101.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	2,995[a]	1	0.084		
Continuity Correction[b]	2.199	1	0.138		
Likelihood Ratio	3.169	1	0.075		
Fisher's Exact Test				0.136	0.067
N of Valid Cases	101				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 8,50.

b. Computed only for a 2x2 table

Attachment 5.5: CEO duality in the European football industry

Crosstab

			President of the Board		
			Domestic	Foreign	Total
Nationality	Domestic	Count	61	1	62
		Expected Count	46.0	16.0	62.0
	Foreign	Count	14	25	39
		Expected Count	29.0	10.0	39.0
Total		Count	75	26	101
		Expected Count	75.0	26.0	101.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	48,906[a]	1	0.000		
Continuity Correction[b]	45.691	1	0.000		
Likelihood Ratio	54.052	1	0.000		
Fisher's Exact Test				0.000	0.000
N of Valid Cases	101				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 10,04.

b. Computed only for a 2x2 table

Attachment 5.6: President nationality in the European football industry

Crosstab

			CEO		
			Domestic	Foreign	Total
Nationality	Domestic	Count	61	1	62
		Expected Count	53.4	8.6	62.0
	Foreign	Count	26	13	39
		Expected Count	33.6	5.4	39.0
Total		Count	87	14	101
		Expected Count	87.0	14.0	101.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	20,175[a]	1	0.000		
Continuity Correction[b]	17.606	1	0.000		
Likelihood Ratio	21.407	1	0.000		
Fisher's Exact Test				0.000	0.000
N of Valid Cases	101				

a. 0 cells (0,0%) have expected count less than 5. The minimum expected count is 5,41.

b. Computed only for a 2x2 table

Attachment 5.7: CEO nationality in the European football industry