

Competition and Cooperation: Organisational Communication within the Australian Football League

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Abstract

The organisational dynamics of professional sport leagues require that, while clubs are competitive with each other on the field, clubs must engage in cooperative behaviour off the field if the league is to remain sustainable. Communication between clubs, and between clubs and the league regulator, is critical to this cooperation, as clubs share knowledge, ideas, and resources. At the same time, the competition underlying professional sport leagues raises tensions for these cooperative communication processes, as clubs seek to balance the collective needs of the league with their own interests (Hamil et al., 2000; Smith and Stewart, 1999).

In this paper, I explore organisational communication within professional sport through a case study of the Australian Football League (AFL), focusing on how the 16 clubs that constitute the league engage with the tensions of cooperation and competition. The case study is based on 60 semi-structured interviews conducted with senior managers at all 16 AFL clubs, and policy and organisational documents.

Three key themes related to organisational communication emerged. First, clubs understand that competition and cooperation must co-exist, and seek to establish both formal and informal cooperative communication processes. Second, there exist important communication fault lines between clubs, with some clubs either less open to communicating with other clubs, or being more likely to communicate with a limited range of clubs. Third, clubs perceive that they face significant obstacles in communicating with the AFL as the league regulator, with the AFL often understood to be competing with clubs rather than acting in their interests. These themes reveal that, while cooperative communication is understood by clubs to be vital to the existence of the league, and to their own survival, critical fault lines exist whereby communication becomes a site of contested power.

Keywords: Organisational communication, AFL, Sport

Introduction

In 2006, the Australian Football League (AFL) can claim to be perhaps the most successful national sporting competition in Australia. It has expanded to many parts of Australia, its games attract huge crowds, it is a major employer, and it receives significant financial support from an array of national and international sponsors and broadcasters (AFL, 2005). At the same time, the AFL faces significant challenges as the regulator of the game, including the question of how to balance competition and cooperation within the league. The organisational dynamics of professional sport leagues require that, while clubs are competitive with each other on the field, clubs must engage in cooperative behaviour off the field if the league is to remain sustainable (Hamil et al., 2000, 2004; Leifer, 1995; Smith and Stewart, 1999). Communication between clubs, and between clubs and the league regulator, is critical to the success of these cooperative processes, as clubs share knowledge, ideas, and resources crucial to their continued viability. At the same time, the on-field competition central to professional sport leagues

raises tensions for these cooperative communication processes, as clubs seek to balance the collective needs of the league with their own interests in achieving success both on the field, measured in Premierships, and off the field in securing sponsors, members and supporters, often in competition with other teams in the league (Hamil et al., 2004; Leifer, 1995; Smith and Stewart, 1999). It is the tensions and challenges raised in the process of club-to-club communication, and club communication with the league regulator, which are the focus of this paper. Exploring the dynamics of these unfolding communicative relations provides us with significant insights into key power dynamics within the AFL.

Background

The creation in the late 1980s of the fully professional Australian Football League, the elite national football competition, was the outcome of organisational and financial challenges confronting the dominant Victorian Football League (VFL), and its rival leagues such as the South Australian National Football League (SANFL) and the West Australian Football League (WAFL), which had reached crisis point in the 1980s. In particular, the domination of the VFL by a handful of clubs over many years was linked to significant financial inequalities between clubs, with a number facing the very real risk of extinction, which in turn threatened the viability of the VFL as a sporting competition. Contributing to these challenges was a league structure in which clubs pursued their own self-interest, rather than working for the interests of the competition as a whole. Clubs were highly secretive organisations, communicating little with their rivals for fear of losing a competitive edge. A perception also arose that the league's governing body lacked the independence required to stand up to powerful club leaders (Hess and Stewart, 1998; Linnell, 1995).

The problems confronting the VFL in the 1980s were also related to the lack of effective processes for regulating the cost structures of clubs. While increasing amounts of money were flowing into the game, through television deals and corporate sponsorships, costs also increased (Andrews 2000). Resource differences between clubs also continued to grow, and there were related declines in on-field competitiveness and attendances. These trends, and the increasing spectre of the collapse of the game, ultimately forced the VFL teams to reform the league's administration, and establish an independent commission to govern the game (Linnell, 1995). An independent commission was regarded as vital, to ensure that the league could make decisions for the betterment of the competition as a whole, and not act only for powerful clubs or individuals.

The Commission soon embarked on significant restructuring aimed at transforming the game into a fully professional, national competition. By the late 1990s, the competition consisted of ten Victorian based teams, two teams in both South Australia and Western Australia, and one team in both New South Wales and Queensland. The national expansion of the competition was accompanied by the development of strategies to promote competitive balance, including equalisation payments, a salary cap, and a national draft system (AFL, 1999). In addition, the AFL and the clubs took significant steps to improve communication processes between clubs in the league, and between the clubs and the league, based on the recognition that, while competition dominates on the field, cooperative communication off the field is essential to the ongoing viability of the competition (Background based

on Capling and Marjoribanks, 2002; see also Alomes, 2000; Andrews, 2000; Hess and Stewart, 1998; Linnell, 1995).

Theoretical Framework

The theoretical framework of this paper is grounded in new institutional approaches in sociology (Campbell, 2004; Marginson and Considine, 2000). A key insight of new institutionalism is that organisations are embedded within an institutional environment, which can be understood as an organisational field. According to McDonald and Warburton, '[t]he idea of an organisational field suggests the existence of a community of organisations that participate in and uphold common meaning systems, share normative perspectives, and exhibit and operationalise identifiable, distinct, and observable modes of organisation' (McDonald and Warburton, 2003: 382; see also Campbell, 2004). Central to the organisational field are networks of relations that build up between organisations over time. Vital to these networks are formal and informal communication processes, which contribute to the specific development of an organisational field. The importance of new institutionalism is that it proposes that we can not analyse organisations such as football clubs as isolated or autonomous entities, but rather must understand them as being constituted by their relations with other organisations, including other clubs, the league, and sponsors, marketers, broadcasters, government and the like. In this regard, the organisational field framework is very well suited as a means to explore the community of organisations that constitute the AFL. In particular, it provides a means for analysing the ways in which clubs interact and negotiate around the importance of communication, and of cooperation and competition, in the league.

McDonald and Warburton also explore questions of how organisational fields change, and for what reasons, suggesting the importance of both internal and external dynamics. External pressures that influence an organisational field include 'such processes as mounting performance crisis in the field, growth in intrasectoral criticism, increased pressure to innovate,..., shifting external dependencies' and the like (McDonald and Warburton, 2003: 383). Among internal pressures are 'the emergence of new coalitions of interests dissatisfied with aspects of the existing institutional order', and 'the existence within the organisation of the appropriate capacities for change (such as the requisite technical knowledge) coupled with sufficient power to employ it' (McDonald and Warburton, 2003: 383). At such times, the meaning systems, shared perspectives and modes of organisation and communication of an organisational field may be contested and transformed.

Central to the debates about organisational fields and institutional transformation is a concern with communication processes, including the means by which communication is built into organisational relations, and the processes by which communication processes contribute to the creation and re-creation of organisational fields. Further, as researchers including Pfeffer (1997), and Marginson and Considine (2000), have argued, communication practices and relations are central to the distribution of power within and between organisations. In particular, communication practices and relations are fundamental to the creation of shared meanings and understandings in organisational contexts, but at the same time can also be sites of contest and conflict. These issues become of heightened significance in times of transformation, when communication processes become vital as

organisations struggle to create new relations, both internally and with other organisations.

Methodology

In this paper, I explore struggles around organisational communication through a study of the organisational field of the AFL. While the 16 AFL clubs, and the AFL itself, interact with a wide range of organisations, two key relations in the organisational field are those between clubs, and between clubs and the AFL. These relations are the focus of this study, in particular because the emergence of a national competition and an independent commission has profoundly transformed them. The study is based on 60 semi-structured interviews conducted with senior managers at all 16 AFL clubs, and a range of related organisational documents. Interviews were undertaken with club presidents and chief executive officers, and with senior managers representing the range of activities in which clubs are involved. These include financial operations, football, membership and marketing, human resources, media and communications, and community projects. Participants were interviewed about their understandings of key challenges confronting clubs, about inter-club and club-AFL relations, and about organisational goals and strategies. All interviews were transcribed and coded thematically. Themes emerged through in-depth reading and analysis of the transcripts in which attention was focused on key words and phrases used by participants to describe their perceptions and experiences, and on communication related issues that emerged from the transcripts as being of particular significance to participants.

Results

In the context of inter-club, and club-AFL, relations, three key themes relating to organisational communication emerged from the fieldwork. First, club managers believe that cooperation within the league must exist, even in the midst of fierce on-field competition, and as a result, they seek to establish both formal and informal communication processes with other clubs to facilitate this. Second, despite these moves, there exist important communication fault lines between clubs, with some clubs remaining more individualistic in their approach, and factors such as location, resources and perceived interests influencing the communicative relations that some clubs seek to create with other clubs. Third, while clubs acknowledge that the AFL is performing well in a difficult role, they also perceive that they face significant obstacles in communicating with the AFL.

Theme One: Cooperative Communication between Clubs

The emergence of the AFL as a national competition has created profound challenges for the organisational field of football. One of the key challenges that clubs have faced in this new environment has been to create communication processes and networks of relations that allow them to interact with other clubs. This represents a profound challenge for clubs which had until recently been unwilling to share information or communicate with other clubs in any significant manner. A number of factors emerged as important to this process.

First, after the crises of the 1980s, there is recognition among the majority of those interviewed that they can learn from communicating with others in similar positions, and that their survival, and the survival of the league, depends on the development of communication networks. For example, a CEO commented that, 'you tend to have this rapport with CEOs, just because you share problems and you understand how hard it is. So

there's a bit of a bond there.' Commenting on the relative newness of this type of communication, another manager suggested, 'There's always been a lot of suspicion between clubs and I think now with some common experiences between ourselves and [other clubs], we're probably breaking down those barriers a bit. We're happy to compete on the field but there's no reason for us to have hostilities off the field.'

Others commented on the type of information being shared, claiming for example that 'my experience is that, providing you are not asking deep dark secrets, it is pretty much people are prepared to swap ideas and provide advice', and that 'everybody, irrespective of the commercial secrets that we all hold, will help each other with information.' Even in football departments, long considered to be a bastion of secrecy, there have been moves to share information between clubs, although there is still concern with revealing too much. In the experience of one football manager:

'The coaching fraternity is very suspicious of speaking to each other because you don't want to give away too much information, and I've probably got too much of that in my mind set, because I have had dealings with other football managers who are very open. One particular instance I'm thinking of is a football manager ringing up and saying "we're doing a survey of the medical staff around all the AFL clubs because we think we pay ours too much and we want to find out what all the other clubs are doing so we can come up with an idea of what the market value is." He was saying that some clubs were saying "oh, we're not going to tell you that, that's top secret", whereas I wanted to have an idea too, so I agreed to help out. So I feel football managers can afford to be more open because they're working in an industry where there's only 16 football managers in the whole of Australia, and if you don't tap into each other, you're probably cutting your nose off to spite your face.'

Second, a number of participants argued that the AFL played an active role in bringing together clubs which might otherwise not engage with each other. One President noted, in a way that was similarly commented on by many others, that:

'The AFL has made it a part of the process for clubs to sit together. They now sit the merchandise managers together. They sit the membership managers together. So it's pretty hard not to get cross fertilisation of ideas. There's movement of people between the clubs...So you can't help it.'

A number of participants argued that while formal meetings between clubs could be important sites for communication, also significant were informal communication networks among managers. For example:

'I was out to lunch with a few of them [managers from other clubs] the other week, just a social matter, just a catch up with the four of us...And they are always a phone call away to bounce an idea or an issue off. They have always been very helpful to me, and I likewise try to assist them. I don't think we see each other as rivals as such.'

Third, in some instances, communication processes were driven by a recognition of the mutual benefits that could emerge, for example, through sharing resources. According to a membership manager, 'from a membership point of view, we share quite a bit of information. As I said, we are trying to build up relationships with other clubs where we can start sharing economies in the sorts of processes and systems that we have in place. I think it is one area where [we can share] because we are not competing for

each other's dollar.' In a slightly different way, a number of powerful clubs indicated that they were prepared to communicate on behalf of less powerful clubs, who might feel unable to put across a view forcefully from a position of relative organisational weakness.

These examples are indicative of the increasing use of formal and informal communication processes as a means of creating relations between clubs. An important part of the emerging organisational relations, and of the emerging organisational field, is recognition that cooperation off the field is required for the sustainability of clubs. Compared with the final years of the VFL, this new context is one in which the league is understood as a cooperative organisational field, in which communication off the field is considered vital, even while competition remains fierce on the field.

Theme Two: Communication Faultlines between Clubs

While formal and informal cooperative communication practices exist, there have also emerged important faultlines in the communication relations between clubs. An important minority of respondents claimed they had minimal interaction with their counterparts at other clubs. In such instances, a competitive understanding of the league was clearly dominant. This was revealed in comments such as, 'It's a bit of a war in a way', while another manager replied:

'I don't have a problem with any of them [the other clubs]. I just don't deal with them a lot. It may seem arrogant in some ways but some of them don't have a lot to offer because they've got different issues or problems or they're not in the same market that we're in.'

Taking this to the extreme, one club manager argued that ideas developed by clubs around issues including marketing and membership are 'intellectual property' which have to be protected, claiming that 'once we're on the field, the competition couldn't be harder or tougher. So if we help another club build their financial strength, then they're more equal when it gets to the field.' This manager was not keen to communicate with counterparts at other clubs because of a perception that if he was to help another club off the field, it would eventually come to impact negatively on the on field performance of his own club. In a similar vein, a club President reported that: 'I'm toughening my view a little bit about that [ie helping other clubs]. I mean I've offered to help some clubs but now I'm not so sure that's right because it's such a competitive business and why should we help another club in ways to get more members, not many clubs have volunteered to do it for us.'

Communication faultlines are also noticeable in terms of the types of clubs that either communicate, or do not communicate, with each other. A CEO argued:

'So what tends to happen is that you go to the CEO meeting and you talk to a few people, really share a bit of information but not a lot, you share much more outside of meetings and I think you tend to form a relationship between the like as distinct from non-like clubs and there's probably three distinct groups now. There's the wealthy Victorian [clubs], not so wealthy Victorian [clubs], and the interstate sides and even the interstate sides now they're becoming a very diverse group as well. But generally speaking there are three subsets and they tend to vote particularly the same on most issues, not all. So you often find the interstate lot will vote one way on an issue and that's why it is often hard to get a change in direction because the clubs can't agree on anything, apart from maybe an increase on the dividend.'

Similar divides were commented on by managers at other clubs, and emerged around issues including location of clubs, management styles and resources, and historical club relations. Such faultlines reveal that while communication is occurring between clubs, there is not a completely open set of relations emerging. Many clubs are being strategic about who they interact with, making judgements based on what they believe to be in the best interest of their own club. These forms of communication provide an example of the interaction of the competing imperatives of cooperation and competition. While clubs recognise the importance of communication and cooperation, a number of managers still perceive that the central demand of putting a winning team on the field requires prioritising the maintenance of a competitive environment in which there is only a limited space for cooperation. In this regard, competition in the context of communication remains vital to the organisational field, and is a continual challenge for those seeking to create cooperative communication processes.

Theme Three: Communication Relations between Clubs and The AFL

A key challenge for all clubs concerns their communication relations with the AFL. Almost all the senior managers interviewed recognised that the AFL was playing a significant role in communicating with them, for example, in setting up meetings, and in distributing information to the clubs, even though they understood that the outcomes of such interactions were not always to the immediate advantage of individual clubs. For example,

‘I think there is plenty of scope there to put your opinion across [to the AFL]. You know there is written and verbal [communication], there is ample opportunity really, and depending how hard you want to go as far as lobbying some of your issues goes, that is up to the club I suppose. But generally speaking there is a reasonable amount of opportunity to get your point across, or at least considered, as you might not get the answer you want.’

Another manager identified the essential reason for the existence of the AFL in terms of communication processes, arguing that:

‘It’s pretty hard to take your club hat off when you go to that table [that is, AFL headquarters] and vote in the best interests of the competition and the game. And so I think that the move to the [independent AFL] Commission has obviously assisted, even though at times people, like any decision making group, get criticized for what they do.’

At the same time, a strong competing perception among clubs was that this was a one-way information communication process, whereby the AFL set the agenda, and told the clubs what was happening, and what they were required to do. A financial officer commented that:

‘The frustrating thing from a club point of view is that too often there are decisions made without consultation with the clubs, that affect clubs in areas that the AFL doesn’t understand...And it is felt that the AFL are in a sense a law unto themselves and there is a dictatorship and we must follow suit, and I don’t think they get enough input into important decision making, because they don’t understand the repercussions or the effects because they haven’t been in a club environment.’

This manager identifies both a concern that the AFL engages in decision making without consulting the clubs appropriately, and that the AFL lacks knowledge and experience of everyday organisational experiences at club

level. In this regard, senior club managers argue that the AFL needs to engage in fuller and more meaningful discussion with the clubs. A CEO commented:

‘They [the AFL] think they have all the answers but they don’t engage the clubs enough...They [the AFL] would say we have working parties for this. But you get the distinct impression being on a working party that you’re there so you can be seen to have had a working party actually as distinct from it being constructive.’

Another CEO commented that:

‘They [the AFL] will tell you that they’re doing it [communicating with the clubs], and all the working parties they’ve got and all the communications they have with Presidents and CEOs and football managers and IT managers and financial managers. They’ll tell you all those things, that they communicate. But really it’s the intention of that communication that’s important and the outcome of it.’

Common to these viewpoints is the claim that while formal communication processes may be in place, in the shape of meetings, workshops, and the like, the communication process is one way, with the AFL seeking to dictate to the clubs. In other words, a crucial concern for the clubs relates to the difference between rhetoric about communication and the actual implementation of communication processes.

This communication faultline is exacerbated for clubs that are financially reliant on the AFL. Among these clubs there was a genuine concern that they were not able to express their ‘real’ views on situations, because they had become dependent on the AFL. A manager at one club commented that the relationship between his club and the AFL was ‘not an even relationship. We’re in a situation where we are beholden...[to the AFL]...because they hold the purse strings, it limits our negotiating position [with the AFL].’ A similar theme was picked up on by other respondents, who argued that the AFL’s financial capacity and resources meant that it had a significant advantage in many negotiating situations. Another manager, in discussing AFL meetings with club representatives, argued that: ‘They’re pretty sterile meetings because the AFL are there and they set the agenda and we’re all beholden to the AFL in one way or another so its not like you can get up there and speak freely’.

Underlying these expressions from club managers are concerns about the power relations between the clubs and the AFL, as they negotiate their relations with each other. In particular, the dominant organisational status of the AFL means that a number of managers consider that it sets and controls the communication agenda. Such concerns go to the heart of the power dynamics of the organisational field emerging in football. In particular, while club managers recognise that there is a need for an independent commission, they also argue that the AFL has become too powerful. They argue that the AFL now seeks to promote its own agenda, rather than promoting the interests of its member clubs, and that the AFL’s lack of two-way communication with clubs is a key indicator of this.

Conclusion

The results of this research provide important insights into communication processes that exist between clubs in the AFL, and between clubs and the AFL. In particular, discussions at club level about the merits of communication capture important elements of the competitive environment within which the clubs have long existed, while also providing insights into the

growing awareness on the part of many club managers of the need for cooperative communication processes.

In identifying such processes, this paper reveals the significance of the new institutional approach in furthering our understanding of key relations in the AFL organisational field. The crises of the 1980s led not only to significant formal organisational restructuring, with the establishment of the AFL, but also to challenges to dominant meaning systems and perspectives within clubs. These occurred in particular around the importance of communication, and around negotiating the appropriate balance between cooperation and competition. The research reveals that while some managers and clubs still prioritise an individualistic approach in which the demands of competition are understood to limit the opportunities for cooperative communication, there is also a strongly emerging counter perspective proposing that cooperative forms of communication, involving the sharing of ideas, knowledge, and resources, are vital, and can serve the interests of individual clubs as well as the league. In this context, communication practices between organisations become key sites of contested power, as clubs negotiate ways to strategically interact with each other, and with the AFL, in the emerging organisational context (Pfeffer 1997, Marginson and Considine 2000). At the same time, structural factors related to the organisational field influence these debates, with many managers arguing, for example, that while the AFL has developed forms of communication with the clubs, these are extremely limited in practice and serve primarily to reinforce and further the organisational power and capacity of the AFL relative to the clubs. The relations uncovered in this paper provide strong support for the argument of new institutionalism that organisations need to be understood in the context of their relations with other organisations, and that these relations are influenced by the power dynamics of that context.

The new institutional approach also alerts us to the need to analyse both internal and external pressures if we are to understand the transformation of organisational fields. In the case of the AFL, external crises which peaked in the 1980s were fundamentally important to the creation of the AFL, while internal pressures in the form of on-going organisational negotiations around the dynamics of communication, and around competition and cooperation, have occurred between clubs and the AFL, as they renegotiate their relationships.

In conclusion, this paper reveals that while cooperative communication is understood by increasing numbers of managers and clubs to be vital to the long term sustainability of the competition, critical faultlines exist whereby communication becomes a site of contested power within the organisational field of the AFL.

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