



3313 Investments and Value Creation in Global Sports



MSc Course, delivered digitally October 2022-January 2023

Martin Carlsson-Wall, Course director

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Course Name

3313, Investments and Value Creation in Global Sports (MSc course)

Course Director

Martin Carlsson-Wall

SSE Faculty

Martin Carlsson-Wall, Department of Accounting

Tomas Hjelström, Department of Accounting

Per Strömberg, Department of Finance/Swedish House of Finance

General Course Description

Content

During the last 10 years, financial investors have gained power and influence within the global sports industry. In North America, several clubs have owners with a private equity background and within European football, many clubs are owned by financial investors, private equity companies or listed on the stock exchange.

However, despite this increased financialization, there are strong counter forces. Many sport clubs are driven by passionate interests where supporters want to maintain historical community identities and there are also public organizations on both state and city levels that have highlighted the risks of too much financialization. This tension between financial investments and passionate interests is at the core of this course. The recent failure of the European Super League project demonstrates that this is one of the most strategic issues within the global football community. We also see how the tensions between financial investments and passionate interests are discussed in relation to Olympic Games and other large sport events.

To deliver this course, we combine two strong research areas at SSE, accounting/finance and sports. The goal is to create a course which is attractive to SSE students, but also to students in SSE's international networks such as CEMS and GNAM.

Intended Learning Outcomes

To successfully complete the course, students need to demonstrate knowledge in:

1. How to balance stakeholder interests in an industry that mixes for-profit and non-profit goals.

2. How financial value is created in global sports through a mix of media rights, tickets, sponsor partnership, merchandise and the selling and buying of players.
3. The role that different financial investors can play for developing clubs, leagues and large sport events and thereby strengthen global sports.
4. Critically evaluate financial investors' value creation strategies in an industry filled with passionate interests.

Format and Structure

The course will cover the following themes:

1. The Global Sport Industry - an overview
2. Due diligence and investing in a sport organization
3. Creating value in a world of passionate interests
4. Exit strategies and getting financial returns.

Given the global ambition (both content wise, but also to reach other CEMS and GNAM schools), the course will be delivered in a digital format.

Prerequisites

The course is an elective open for all MSc students at SSE as well as MSc students from other CEMS and GNAM schools. Knowledge about accounting, investments and corporate valuation are preferable. For example, students should be able to analyse an annual report, conduct a discounted cash flow valuation on a basic level and have a general awareness of different types of investments.

Literature

1. Battilana, J., & Lee, M. (2014). Advancing Research on Hybrid Organizing – Insights from the Study of Social Enterprises. *The Academy of Management Annals*, p.397-441.
2. Baxter, J., Carlsson-Wall, M., Chua, W.F., & Kraus, K. (2019). Accounting and passionate interests: The case of a Swedish football club. *Accounting, Organizations and Society*, p.21-40.
3. Carlsson-Wall, M., Kraus, K., & Messner, M. (2016). Performance measurement systems and the enactment of different institutional logics: Insights from a football organization. *Management Accounting Research*, p.45-61.

4. Cho, C., Janin, F., Cooper, C., & Rogerson, M. (2020). Neoliberal control devices and social discrimination: the case of Paris Saint-Germain football club fans. *Accounting and Management Information Systems*, p.409-443.
5. Friedland, R., & Alford, R.R. (1991). Bringing Society Back In: Symbols, Practices and Institutional Contradictions. In W.W. Powell & P.J. Dimaggio (Eds), *The new institutionalism in organizational analysis* (p.232-266). Chicago: University of Chicago Press.
6. García, C. (2020). Real Madrid and public relations: applying the circuit of culture to organizational values. *Soccer & Society*, DOI: 10.1080/14660970.2020.1824909.
7. Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E.R., Lounsbury, M. (2011). Institutional Complexity and Organizational Responses. *The Academy of Management Annals*, p.317-371.
8. Grodecki, M., & Kossakowski, R. (2020). Class wars among devoted football supporters. Hooligan bourgeoisie and non-hooligan proletariat. *Soccer & Society*, DOI: 10.1080/14660970.2020.1828076.
9. Janin, F. (2017). When being a partner means more: The external role of football club management accountants, *Management Accounting Research*, p.5-17.
10. Jensen, M.C. (1989). Eclipse of the Public Corporation. *Harvard Business Review*, September-October.
11. Kaplan, S., & Strömberg, P. (2009). Leveraged Buyouts and Private Equity. *Journal of Economic Perspective*, p.121-146.
12. Smith, A., & Stewart, B. (2010). The special features of sport: A critical revisit. *Sport Management Review*, p.1-13.
13. Stewart, B., & Smith, A. (1999). The Special Features of Sport. *Annals of Leisure Research*, p.87-99.

Selection of cases - to be determined.

Examination

Class participation (10%):

Active class participation will be given up to 10%. Given the digital format of the course, class participation also includes questions and reflections e-mailed to faculty between classes.

Case hand-ins (10%):

The course will consist of a number of cases. A total of 10% will be given to students who hand in cases.

Project (20%):

A course project will be conducted in groups of 4-5 students where students apply theoretical concepts.

Exam (60%):

The main examination is a written exam at the end of the course.

Schedule (to be updated, below is schedule from 2021-2022)



Tuesday, October 26th, 17.15-19.00

Introduction to the course, Martin Carlsson-Wall, Associate Professor and Director Center for Sports and Business (Course Director) <https://www.hhs.se/en/persons/c/carlsson-wall-martin/>



Wednesday, October 27^h, 15.15-17.00

Introduction to the Global Sport Market, Dan Singer, Partner and Leader of the Global Sports & Gaming Practice at McKinsey. <https://www.linkedin.com/in/dansingermckinsey/>



Thursday October, 28th, 15.15-17.00

Introduction to Investments: Case of Tottenham Hotspurs, Per Strömberg, Professor and Head of Swedish House of Finance. <https://www.hhs.se/en/houseoffinance/about/people/people-container/per-stromberg/>



Tuesday, November 2nd, 15.15-17.00

Traditional sports' venture into gaming and esports: True opportunity or illusion? David Dellea, Global Head of Sports Advisory at PwC.

<https://www.linkedin.com/in/daviddellea/>



Thursday, November 4th, 15.15-17.00

The Doing of Strategy – A comparative analysis of Bayern München and Hertha Berlin, Daniel Beiderbeck, McKinsey (working with Bayern München) and Nicolas Frevel, Head of Strategy at Hertha Berlin.

<https://www.linkedin.com/in/daniel-beiderbeck/>

<https://www.linkedin.com/in/nicolas-frevel/>



Friday, November 5th, 13.15-15.00

The Ocean Race – a purpose-driven sport event that contributes to a healthier planet, Richard Brisius, Race Chairman, The Ocean Race.

<https://www.linkedin.com/in/richard-brisius/>



Monday, November 8th, 18.00-20.00

Investing in Sports – An American Growth Equity Perspective, Jasmine Robinson, Partner at Causeway Media Partners. <https://www.linkedin.com/in/jasmine-robinson-b3950813/>



Tuesday, November 9th, 18.00-20.00

Investing in European Football from an American Perspective, Jordan Gardner, Football/soccer investor and Chairman of the board, FC Helsingör. Also co-owner in Dundalk Football Club and minority owner in Swansea City Football Club.

<https://www.linkedin.com/in/jordan-gardner-044944116/>



Thursday, November 11th, 15.15-17.00

Measuring the Impact of Sponsorship on Business Results, Ricardo Fort, Founder of Sport by Fort. Former Vice President, Global Sports and Entertainment partnerships at Coca-Cola and Senior Vice President, Global Brand, Product & Sponsorship Marketing at VISA. <https://www.linkedin.com/in/ricardofort/>



Tuesday, November 16th, 15.15-17.00

Re-thinking a brand - the case of AS Monaco, Tea Stefani, Brand Project Manager AS Monaco.

<https://www.linkedin.com/in/teastefani/>



Thursday, November 18^t, 15.15-17.00

Corporate sponsorships - how to build global partnerships, Professor Norman O'Reilly, Dean Graduate School of Business, University of Maine, USA.

<https://umaine.edu/business/people/norm-oreilly/>



Friday, November 19th, 18.00-20.00

Case: TopGolf – Building a global sports and entertainment community, Professor George Foster, Stanford University Graduate School of Business

<https://www.linkedin.com/in/george-foster-003b343/>



Tuesday, November 23rd, 15.15-17.00

Navigating behind the scene(s) – understanding the power relations within global football/soccer, Ebru Koksall, Football & Finance Forerunner. Former CEO & Director for Galatasaray Sports Club and first female Executive Board member of European Club Association (ECA).

<https://www.linkedin.com/in/ebru-koksall-cfa-a61474/>



Thursday, November 25th, 15.15-17.00

Case: Barca Innovation Hub - Getting the Ball Rolling on Innovation, Associate Professor Ivanka Visnjic ESADE Business School

<https://www.esade.edu/faculty/ivanka.visnjic>



Friday, November 26th, 13.15-15.00

Project coaching session 1, Martin Carlsson-Wall and Tomas Hjelström



Thursday, December 2, 15.15-17.00

Project coaching session 2, Martin Carlsson-Wall and Tomas Hjelström



Thursday, December 16, 15.00-18.00

EXAM, Martin Carlsson-Wall



Thursday, January 13, 10.00-17.00

Project presentations, Martin Carlsson-Wall and Tomas Hjelström (Groups will be divided into smaller groups. Your group will present and listen to 3 other group presentations).