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“Sustainability”, a new player in the field

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"Businesses are not responsible for all the world's problems, nor would they have the resources to solve them. But each company can identify a specific set of social problems that it can best contribute to solving within its skills and from which it can derive the greatest competitive advantage"

Michael Porter, "Strategy and Society; The Link Between Competitive Advantage and CSR"

Introduction:

Sport, and more precisely football, has always represented for the human being a source of vent and of passion. But, why did football go from being a sport practiced by children in English schools to one of the biggest businesses in the world? The answers to this question can be many but certainly one of the main reasons is given by the indomitable passion and loyalty that the fans pour on the team. This love allowed the expansion of the game until it became an "entertainment show" all over the world. The exponential increase in the capital processed, and the visibility that sport offered has allowed companies to move towards a long economic and financial evolution. As time passed the need for new business models and alternative sources of financing became increasingly urgent to thrive in the industry. In recent years, the football sector has been called upon to respond to another urgency, that of implementing sustainability in its business models and consequently in their work.

This paper discusses the first experiences, the literature, and the results of a qualitative research whose research design is aimed at developing concepts and installing the principles that help a deep understanding of the phenomenon of sustainability in Italian professional football. This paper aims at producing results in terms of knowledge on organizational and management issues with respect to the context and giving examples on possible behavioral responses of companies. The interest of this study lies in determining whether these early findings and evidence can contribute to the debate on the gap between the theoretical formulation and practical application of corporate social responsibility and sustainability principles reflected in the specialist literature. We now live in a society where the consumer begins to pay more attention to brands, developing affinities and marking distances based on social behavior and the performance of companies. Therefore, it can be said that the management of sustainability is entering the political, social, and economic agendas in the form of calls for immediate action to face the challenges of a future which are becoming our present. This involves a complex concept of sustainability in which the social dimension has become both a tool to ensure balanced and holistic growth and an essential approach to design agreements to address the global future challenges. This paper will hopefully represent a matter of reflection regarding the methodological and strategic choices in the near future for those interested / employed in the sector. The increase in critical awareness on the subject can have multiple repercussions on the subjects in training, on the trainers, on the training culture and on the management practices of this sector.

The study has been divided into three main sections: the first chapter aims at providing a general overview of the sector and of the phenomenon to create a clear picture before the analysis is carried

out. This chapter, in fact, will be dedicated to a brief historical reconstruction of the events that led to the industrialization of the football sector, also dealing with what are the "sustainable" traits of sport. The second chapter, on the other hand, will focus on sustainable economic literature and on the events that characterized the football sector of recent years. In this chapter we will observe and analyze what is the current situation of the clubs, and through the words of some exponents of the sector we will try to identify where the gap between words and actions is. Such gap represents a space that represents the starting point for an improvement not only in economic performance but also regarding the environmental and social impact of Italian football clubs. The third chapter will focus on the qualitative analysis of the data collected. In this study, interviews with federation executives, sports executives and other professional figures, 70 sources, including websites, reports and analysis, organizational documents and 50 statements by industry representatives to the public were examined. In this chapter paragraphs we will analyze, with a critical eye, the interviews conducted. The underlying idea is to go and understand the current state of the football industry through the statements of the latter, and then make considerations on what could be improved. To select the most relevant indicators to our purpose we compared this dataset with the data present in the literature presented in the previous chapters. This has allowed us to identify indicators or fields on which it would be appropriate to develop a strategy to improve the theme of "sustainability".

The result confirmed the low level of knowledge and implementation of sustainability in the sector, underlining, however, a strong awareness of necessary for the latter but not the willingness to act in the short term. The analysis can be considered experimental for novelty of the theme in this sector that was also found during the selection of the reference sample. The first strategy aimed at the football ecosystem, "Strength through Unity", in fact, was established in 2022 and to date we do not have the balance sheet relating to the results of their first year of activity. In addition, there is still no adequate regulation of the subject matter in the market.

Chapter 1:

Sustainability has become one of the most discussed issues by public opinion and, in a certain sense, most feared by societies. This is due to the great operational and strategic change that the implementation of this entails. In fact, the large initial investment, the radical change in operational and strategic terms and the change of vision from short term to long term, seem to be the reasons why even today there has not been a change in the football sector, which is not aligned with what are the changes, requirements and demands of the current world market.

This chapter will be dedicated to a brief historical reconstruction of the events that led to the industrialization of football, also dealing with what are the "sustainable" traits of sport.

1.1 The world of football

Football has penetrated the population and acquired its own increasing economic importance over time. In economic terms, the importance of football is due to the powerful activity to involve populations with completely different cultures, religions, and habits. To date, according to the "Big Count" study carried out by FIFA, there are about 265 million people practicing football of which 38 million are members of various companies worldwide. Including all the people directly involved in the football world we reach 270 million, that equals to 4% of the world population, leading football to be one of the largest businesses in the world, which generates 700 billion dollars; one percent of global GDP¹. Referring to the study by Euromerica Sport Marketing agency, football is one of the transporting sectors of the Spanish and Italian economy contributing respectively to 2.5% and 3.6% of the national GDP.

The Financial Times explains the market for football clubs as follows: *"A goal can mark the difference between promotion and relegation by radically changing a team's commercial prospects. And in any case, not all clubs have the same managerial ability to transform sporting victories into commercial successes"*².

¹ Bortolotti A. (2002) Football from its origins to today. In: Bortolotti A., Leali G., Valitutti M., Pesciaroli Hotels A., Fini F., Brunelli M., Lo Presti S., Vecchiet L., Gatteschi L., Rubenni (Italy) M.G., Order F., Palombo R., Guarantees G. Encyclopedia of Sport. Treccani, 2-6.

² Financial Times, article of 31 December 1996

Football has a thousand-year history that has its roots in the ancient East at the time of military training during which we can find examples of "proto-calcio"³ which was known as Tsu-Chu. The birth of modern football is marked in the second half of the nineteenth century following its transformation from a recreational activity to a regulated and organized activity that took place with the introduction of the game in English private schools. Initially, the classes practicing the activity followed their own rules, often different between the different schools. Following a proposal for a meeting sent by the University of Cambridge in 1848 to eleven other schools, the first basic rules of the activity called "Cambridge Rules" were drawn up, which introduced the custom of the game to eleven; ten students per class to which the master was added, a figure that seems to recall that of the modern captain. Consequently, to the birth of the first football club in 1857, Sheffield FC, the Sheffield Rules were added to the previous regulations; these introduced other fundamental concepts such as the duration and division of the match into two halves. In Italy during the Renaissance, more precisely in the Florence of the '400 of the Medici, the Florentine Football developed. It is considered the closest expression to today's football until that moment. In our countries, the birth of the first football clubs dates back to the last years of the '800. The birth of these companies took place mainly in the north because it had always presented a greater industrialization and hosted a large number of foreigners than in the south of the country. The International Football Club of Turin was founded in 1881, it saw the participation of people of different nationalities but with a common passion. A few years later, in 1883, still in northern Italy, the Genoa Cricket and Athletic Club was born, which reserved its participation exclusively for English nationality residents of Genoa. In 1898 the first real Italian championship was played, the same year in which what is now known as FIGC (Italian Football Federation) was born. It is overseen by the CONI which is entrusted with the organization and control of the entire sports sector, including its regulations. The Coni is overseen by the F.I.F.A. (Federazione Internazionale de Football Associazione) founded in 1904. Starting from the 90s, always beginning from England, football business began to take its most concrete path thanks to a management change of the professional companies. The distribution of television rights brought substantial amounts of money and the arrival of large foreign capital into the pockets of the owners. We can outline two moments that have been decisive for the new scenario of the football world: the "Bosman Judgment"⁴ of 1995 and the introduction of the UEFA rules of Financial Fair Play of 2008.

The evolution of football in terms of size over the years saw increasing costs due to the need to make teams more competitive and due to the need of creating appropriate services necessary to host the

³ Bortolotti A. (2002) Football from its origins to today. In: Bortolotti A., Leali G., Valitutti M., Pesciaroli Hotels A., Fini F., Brunelli M., Lo Presti S., Vecchiet L., Gatteschi L., Rubenni (Italy) M.G., Order F., Palombo R., Guarantees G. Encyclopedia of Sport. Treccani, 2.

⁴ Judgment C415/93 of 13 December 1995.

supporters. Initially, these costs had to be covered only through the tickets' sale. With the increase of stakeholders, football turned into an advertising tool, whose degree of efficiency was determined by the ability to attract more and more fans. But to build a winning team there was the need to involve the "best" athletes who, starting from the early '900, began to request several benefits, including a higher salary. From this moment, the clubs, entirely financed by the members, started finding difficulties and being unable to find the financial resources to support the team. As a result, football began to mark more and more entrepreneurial tones: in some cases, as for example Torino and Napoli, clubs passed from the associative form, to the corporate one (Napoli S.p.a. and Torino S.p.a.) with the aim of ensuring a management more suitable for what was now going, more and more, to turn into a real business. Given the evolution and the radical change in the purpose of football clubs, a series of laws and regulatory measures were introduced, substantially changing the world of football⁵. Today, more than half of the existing football clubs are listed on the stock exchange. The real "boom" in prices for these companies came following the remarkable success that Manchester United obtained with the 1991 listing on the New York Stock Exchange (NYSE). Manchester United, in fact, doubled its market capitalization in just under 10 years. But this did not represent a success for all clubs. In fact, after a few years, starting from the United Kingdom clubs, the defection began with the decision of many to proceed with the delisting. From this moment, however, things worsened, and strong descents of the titles began. The decreasing in titles value was due to escalating costs, growing conflict in management and strong instability, due to too much dependence on the results of the field. The now dominant thought, which has established itself on the binomial football-stock exchange, considers the investment in football teams a kind of madness; this bias is supported by various empirical data, well-founded statistics and indices that highlight how European clubs are unable to protect their value in bearish waves. One could only add, quoting Viktor Uckmar, that *"football-related titles are not recommended for orphans and widows"*; as if to say that they are not safe titles⁶. Yet, Uckmar's warning was "unheard" by Tommaso Padoa Schioppa, the then president of Consob, who in 1997, modified, through a resolution, the rules that prevented the listing on the stock exchange of football clubs, under probable pressure from the presidents. The creation of the new Borsa Italiana was aimed at ensuring an increase in the conditions of the organization of the stock exchange and the markets for trading to "protect" investors⁷. In addition, constraints regarding transparency, competitiveness and maximum efficiency in management have been introduced. The first Italian team to take advantage of the regulatory change was Sergio Cragnotti's SS Lazio. After him, it was the turn of Franco Sensi who decided to list AS Roma in 2000 and finally, in 2001 was the moment of the lawyer

⁵ Lake U., Baroncelli Hotels A. Szymanski S. The Business of Football, EGEE, 2004

⁶ M. Hotels in Bellinazzo, The end of Italian football (2018)

⁷ IlSole24ore, article of 30 June 2015 by M. Bellinazzo placeholder image

Gianni Agnelli who did the same with Juventus. Even today these three are the only ones to be present in the stock markets but in the current year, 2022, the current presidents of AS Roma have declared the intent of an upcoming delisting of the company.

1.2 "Sustainability", a new player in the field

*"Sport" means any form of physical activity that, through organized participation or not, has the expression or improvement of physical and mental condition, the development of social relationships within the community or the achievement of results in competitions of all levels as its objective*⁸.

As mentioned earlier, the world of sports boasts a very ancient tradition dating back to 776 A.C; times of the Olympics in ancient Greece. It is therefore not difficult to assume that football is part of the vision and mission of the Olympic Committee, which has as its main purpose to create a better world in which sustainability is a principle of operation. Having its roots in the days of the Olympics, sports, in general, have a kind of connection with what is called the "Olympic Spirit", which can be described as *the principle that pushes to seek and achieve harmony, promoting openness for the purposes of inclusiveness, respect and mutual understanding, representing not only a tool aimed at physical improvement, but also as a social practice*. We will go, later in this paper, to analyze and emphasize the incredible contribution that sport makes to local, national, and global communities.

The term community comes from the Latin word "communis", which means common, public, shared by all or by many. A community is seen as a place to find solidarity, participation and coherence and can be described as *a network of social relationships marked by reciprocity and affective bonds between its members*⁹. In the literature we find a distinction between geographical communities and communities of interest. Geographic communities are based on proximity, so they include people living in the same geographical areas or neighboring areas. While communities of interest include people from different geographical regions who group together because they share a combination of "interests" that allows them to experience a feeling of belonging to that specific community¹⁰. Sport acts as a "glue" in what is one of the largest communities of interest today.

For several decades the contribution of sports tournaments and special events has been recognized in the development and growth of the national identity feelings, social cohesion, and community pride.

⁸ Art. 2 European Charter for Sport, 1992

⁹ Purdue et al., 2000; Taylor, 2003

¹⁰ Bender, 1991; Iñe, 1995; Willmott, 1988

Sports events are the most important part of the events industry and their importance in the sector is constantly increasing. These events are at the heart of government events strategies for their ability to attract tourists, secure media interest, and generate significant economic impact. In addition, they are able to bring benefits not only to host countries and sports organisations, but also to athletes, teams and, of course, spectators. The always increasing importance of these events has the power to engage and excite most of an entire nation population, including both those who practice it assiduously, and those who live it only as a spectator. In Italy there are about 37.5 million people who practice sports or physical activity (35.3% of the population): over 20.7 million exercise it continuously (25.7% of the population) or occasionally (9.6%), motivated by passion, fun, desire to socialize and need to keep fit. The 28.5% of the Italian population, even if they do not practice sports, declare to carry out some physical activity in their free time¹¹.

At the national level, 3 newspapers deal exclusively with sports and together cover almost a quarter of national readers with an average daily circulation of 2,437,000 copies, about 26% of the national total. "La Gazzetta dello Sport" is by far the most purchased by Italians both compared to the population (3%) and compared to the subset constituted by the population of readers (14%)¹². In Italy, 5.5 million families have subscriptions to satellite channels and benefit from 22,000 hours a year of sports broadcasts and over 20% of Italians surf the internet in search of sports information and of these, 7% declare a high frequency of navigation¹³. Thanks to these numbers we can begin to glimpse what is the importance of sport for the societies and for the economy of a country. We can agree that sports became not only represents a tool of aggregation but also a driving tool for what are the local and national collections.



On the Italian territory there are 95,000 points of official sports offer, including the local authorities recognized by the CONI, which constitute a territorial pervasiveness even higher than the network of tobacconists (73,000), bars (62,629) and schools (55,953)¹⁴. Bearing in mind the size of the market, it is

¹¹ Calculations of the Centro Studi Coni Servizi on Istat 2021 data

¹² Survey results Audipress relating to about 40,000 interviews on the reading habits of the Italian population in the autumn 2020 period - spring 2021

¹³ From the opinion poll of the Censis Services carried out on the adult population

¹⁴ First Report Sport & Society - Cones

clear how the latter can influence not only the behavioral decisions of the spectators, but the government decisions on economic issues and the use of a country's resources.

Attention to the theme of sustainable events in Italy has grown in recent years: this is testified by the European project ZEN (Zero-impact Event Network), which has analyzed the evolution of sustainable events from 1960 to today. Retracing the history of what was the adoption of the theme "safe environment", we can see that between 1980 and 1999 in Italy there was the first UISP event aimed at this purpose. The UISP marathon together with the other events, in fact, were opportunities to regain squares and streets of the cities usually invaded by cars, not only as a protest but also as a contribution to what begins to be called the "green" movement. Since the 2000s, local public authorities have encouraged the organizers of events in urban areas to adopt sustainable initiatives, mainly related to the separation and reduction of waste. The first emblematic case was "Ecofeste di Parma" in 2003. Subsequently, the Turin 2006 Winter Olympics represented the first Italian test bench for the sustainable organization of major international events, which was successfully passed: the TOROC, organizing committee, obtains the ISO 14001 and EMAS environmental certifications.

Unfortunately, this does not apply to most events that take place in the country; Many events are said to be "green" even if in practice they are not sustainable and do not meet specific standards. The lack of a "green" attitude risks generating a boomerang effect, disappointing expectations, and obtaining counterproductive communication. Since the 2000s, several organizations have provided guidelines to promote concrete practices to make sporting events more sustainable, showing that this can result in a contribution not only to the environment but also to the coffers of the companies themselves.

Coalter (2007) and Sugden (2006) emphasize the importance of planning sports projects and events to achieve positive results. The strategic planning of the latter, in fact, not only favors personal and group development, but it allows, for example, to reduce waste, optimizing waste management and thus increasing the sustainable features of the event. Therefore, sustainable sporting events can be defined as *those planned events designed to minimise potential negative impacts on organisers, stakeholders, society, and the environment*¹⁵. From 2010 to today we are witnessing the concrete diffusion of certification schemes and self-declarations; the recent publication of the ISO 20121¹⁶ standard represents a concrete response.

¹⁵ UISP - Sustainable Sporting Events Handbook, 2012

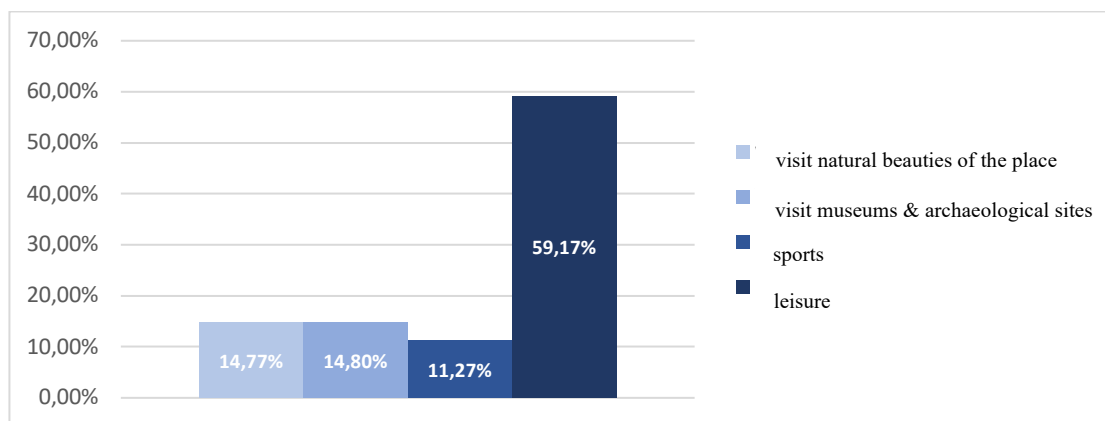
¹⁶ ISO 20121 is the international standard that specifies the requirements of a sustainable management system for events. It is applicable to all types of subjects involved in the design and implementation of an event

In the next sections we will go into more details of the different perspectives according to which sustainability in sports clubs should be analyzed. In other words, we are going to analyze the contribution of sport, and more specifically of football, in terms of:

- (i) maintaining competitiveness on the market - sustainable financial management
- (ii) improvement of sports performance as a tool of moral education for the development of communities
- (iii) awareness-raising tool for the increase of a correct and responsible environmental behavior.

1.2.1 The Economic Sustainability in the world of football

It has been proven, as mentioned above, that sport also contributes to bringing various benefits to communities in terms of tourism, positive economic values, and urban development. The first scientific publication on the subject took place in October 1983 by the "Journal of Sport Tourism" and in February 2003 the first world jointly organized conference was held by the World Tourism Organization (WTO) and the Olympic Committee of Barcelona, which had sports tourism as its central theme. Since 2007, as the graph below describes, sport has become one of the top four activities that Italian holiday makers engage in the most.



Source: Own elaboration on the latest Isnart data on tourism in 2021

In addition, over the years, sport has become a marketing tool, thanks to which industries convey their image to the users of the sporting event, and therefore consequently increasing their visibility. This combination was then consolidated thanks to the mass media that fully understood the importance of media potential for sports practice.

Today, the exponential growth of the sports phenomenon has generated an economic and organizational development now defined as a real "industry" characterized by an impressive direct turnover¹⁷, which attracts the interests of new economic and competitive forces, including mass media managers, manufacturers of sports articles and equipment, event organizers and providers of various and very differentiated services. An accurate analysis carried out by the Observatory on the Sport System carried out by the Research Office of Banca Ifis highlights how the sports market in Italy has taken on a significant economic dimension presenting a weight equal to 3.6% of GDP and generating a turnover of about 96 billion euros.

In this section of the paragraph, we will focus on what are the guidelines imposed by the UEFA to guarantee stability and economic-financial sustainability. With the enactment of the new financial rules, UEFA's objectives are threefold: to encourage clubs to operate based on revenue, to introduce greater rationality in the annual accounts, and to protect the creditors of the clubs.

The Union of European Football Associations (UEFA) introduced the Club Licensing system in 2003 and in 2009 UEFA approved the introduction regulations for transparency requirements and financial conditions for football clubs participating in European competitions, called Financial Fair Play (FFP), which subsequently in 2018 underwent a reform that changed the name to Financial Fair Play 2.0. The Financial Fair Play is designed and subsequently introduced following the data recorded in 2008, which showed that 47% of European clubs report losses, in some cases heavily significant, for a total amount of 1.7 billion euros.

Starting from 2017, the introduction of the discipline on the Financial Fair Play begins to show the expected and hoped effects, with a progressive improvement in the indebtedness of the clubs, which has translated into a positive economic result. All this has been achieved thanks to the introduction of some new economic-financial obligations, which each club has undertaken to respect:

- **Balanced budget;**
- Absence of debts from the transfer of expired players;
- Dissemination of forecast economic and financial information;
- Regularity in the payment of emoluments to employees and payment of withholding taxes and contributions;

¹⁷ Cf. Martelli S. (2010), "Lo sport mediato", Franco Angeli.

- Filing of financial statements for the last year preceding the date of submission of the application for the licensing of the licence, which has been audited by an audit firm.

A balanced budget is the central element of all the discipline underlying Financial Fair Play and aims to ensure that clubs operate based on their own revenues. A club complies with the requirement of a draw if the result of the draw is: a surplus; or a deficit that is (A) not exceeding EUR 5 million, or (B) not exceeding EUR 30 million, if the surplus is fully covered by contributions from capital participants or related parties.

The break-even result is the difference between the relevant revenue and expenditure¹⁸; these are the income and expenses from football-related activities adjusted for the purposes of the break-even requirement and subject to reconciliation with the consolidated financial statements. In other words, a club should have a positive economic result from football activities or, if the result is negative, it should not exceed the limits set by the Financial Fair Play Regulations. It is considered achieved when a whole series of indicators occur, such as positive shareholders' equity, break-even result, debt sustainability, balance in the balance of players' transfers and the existence of business continuity.

In May 2018, UEFA's Executive Committee approved a new edition of the Fair Play Finanziario regulations, including transparency corrections and balanced budget indicators, which also redefined the parameters relating to sustainable debt and the so-called **player transfer balance**. As for the corrections regarding the balanced budget, the clubs must have a significant debt not exceeding 30 million euros and that does not exceed 7 times the average of the club's revenues in the three periods monitored for the purpose of issuing the license. As for the player transfer balance, the clubs will not have to overcome a deficit in the balance of purchases-disposals of the players of over 100 million euros at the end of each transfer window within the season for which the license was requested.

With the introduction of the programmatic rules on Financial Fair Play, the following results should have been achieved:

- Absence of overdue sports debts for admissive purposes
- Drastic reduction of litigation
- Improving international credibility

¹⁸ Both terms as defined in the Financial Fair Play Regulations

But, looking at the company's balance sheets we can observe that these benefits are not enough to improve a disastrous situation like the one of Italian companies. The question that arises is the following: if with the Financial Fair Play the situation should have improved, why does the Serie A companies record more than 3 billion euros in debt?¹⁹

Club	30/06/21	30/06/20	30/06/19
<i>Juventus</i>	-389.218.723 €	-385.139.126€	-463.474.167€
<i>Inter</i>	-297.307.186€	-244.431.684€	-257.844.295€
<i>Roma</i>	-271.263.000€	-289.757.000€	-220.627.000€
<i>Milan</i>	-101.630.000€	-103.892.000€	-83.016.000€
<i>Lazio</i>	-24.039.971€	-49.216.252€	-54.904.778€

Source: Own elaboration on the data of the financial statements of serie A sports clubs²⁰

Surely the Covid19 pandemic has not benefited the companies' coffers that have lost more than 900 million in receipts and have seen costs increase for salaries and depreciation. But this is not enough to justify the financial situation of Italian football clubs. In fact, other problems encountered are; inflated or fictitious sponsorships from companies linked to the ownership of the club, fictitious capital gains created on the sale of players and a salary cap that is too "soft". These critical issues seem to have been heard by the international committee that should meet at the end of the 2021-2022 championship to discuss a new possible reform.

According to the New York Times, UEFA is working on some new parameters to assess the economic sustainability of the clubs, which would replace the Financial Fair Play constituting what will be called the Financial Sustainability Regulations. The change will be on some parameters to evaluate the economic solidity of a club: from the maximum limit of 30 million overrun for each club, regardless of revenues, we will move on to an ad hoc calculation for each club. There is also talk of a change in the sustainability index²¹. Currently the values are equal to 0.5 for Serie A and 0.7 for Serie B-C; this implies that the companies will have to prove to Fidel Calcio that they are able to

¹⁹ Dated on 30 June 2021

²⁰ In the analysis, only financial payables, net of payables to shareholders and related parties, and cash in cash were considered. The net financial position of each club at the balance sheet date was thus calculated: it is not, therefore, the total value of the debt, but only the financial ones, considering that the NFP is one of the main indicators for the purpose of assessing the sustainability of a company.

²¹ The sustainability index is equivalent to the ratio of assets to liabilities

cover 50% of future costs, in the case of Serie A, and 70% in the case of Series B and C with the revenues realized. There are two other indices to take into account, the most important of which is that of indebtedness. These indices will not have to be evaluated during the season but at the time of registration to the championship as it will be a binding part for registration to the latter. In addition, the cost of personnel, which includes engagements, tags and commissions to agents may not exceed 70% of total revenues. A ceiling that will not be exceeded from 1 July 2025 onwards. In fact, clubs will be granted a three-year period to adapt to the new rules, during which the cost of personnel can reach up to 90% of revenues. New features are also planned for sanctions: for the first time, instead of only fines, relegation to a lower Uefa competition will be introduced for those who do not respect the rules. In other words, those who participate in the Champions League could thus find themselves in the Europa League and those who play the Europa League could go down to the Conference League. The new regulations will also provide checks on the origin of revenues: inflated or fictitious sponsorships from companies linked to the ownership of the club will be evaluated with great attention. All this would also be aimed at reducing what are the capital gains created in the football-market phase.

1.2.2 The Social Sustainability in the world of football

Regardless of the historical moment in which we find ourselves, we can say that people enjoy participating in sporting events at the stadium or through the media, to celebrate national successes and "historical" triumphs. Taking the 1954 World Cup event as an example, although the positive social impacts came as a surprise to most of the German population, the excitement and symbolic value of sport was also purposely used as a tool for reconciliation and reunification. Overall, there is a wealth of anecdotal evidence to support the theory that sport can bring people and communities together²². This also applies to small sports projects that are increasingly being implemented as an inter-Community development strategy, particularly in developing countries and/or in culturally or ethnically divided societies. The concept of community participation was introduced as a promising strategy to stimulate project initiation, community empowerment and overall social development. However, when it comes to finding empirical evidence of this and how it contributes to the unity of the group and the overall development of the community, it becomes obvious that much more qualitative and quantitative research is needed to confirm or reject this claim.

²² Chalip, 2006; Coalter, 2007; Kidd, 2008

However, Kidd (2008) and Coalter (2010) remind us that sport cannot be considered a priori a "good" thing. In fact, sport and events spaces can be places of conflict and contestation between groups; antisocial behaviors in sports and events can lead to a resurgence and "recycling" of historical and prejudicial stereotypes²³, which are likely to worsen intergroup relationships²⁴. Therefore, many studies have focused on the common good in which sport helps to create through health, ethics and fair play. But it must be emphasized that sport becomes part of the common good when its values are enjoyed without discrimination, increasing their accessibility for all citizens. As the name suggests, a common good is anything that is good for more than one person, and therefore benefits more than one person, being common to all. Strictly speaking, the common good is "*the general conditions of life in society that enable different groups and their members to reach their own perfection more fully and more easily*"²⁵. Obviously, every company has its own common good, so the meaning of "common good" will be different depending on the environment, the family, the company, the local community, the nation, etc. It is therefore important to identify the common good of a particular community of people with whom we are dealing, in our case, the sports industry. In recent years, the UISP has emphasized and introduced the management model attention to the common good of sport: that is, the ability to generate community resources, to overcome the logic of competition, to experiment with forms of collaboration between different subjects, with the aim of creating spaces of equality and contrast to discrimination that, unfortunately, still condition the real possibilities of exercising the right to sport and play, to movement, to health²⁶.

1.2.3 The Environmental Sustainability in the world of football

The organization of an event, as we mentioned in the introduction to this section of the chapter, influences government choices on the use of resources and materials used. Consequently, these choices cause a direct or indirect impact on the environment: air pollution, global warming, waste production, consumption of renewable and non-renewable resources, are some of the most obvious effects.

An event is represented by a set of actions whose organization should have mastery to ensure both the correct performance of the planned sports activities, and the management of the criticality linked

²³ Dimeo & Kay, 2004

²⁴ Amirtash, 2005; Dimeo, 2001; Hay, 2001

²⁵ Phillips, R. A.: 1997, 'Stakeholder Theory and a Principle of Fairness', Business Ethics Quarterly

²⁶ <https://www.labsus.org/2018/11/popolare-per-tutti-lo-sport-e-i-beni-comuni/>

above all to the presence of many people (participants, athletes, spectators, etc.). The correct organization of a green event would allow to:

- Continuously improve sustainability performance
- **Reduce costs** thanks to a rational use of energy and products
- Reduce the ecological and carbon footprint of the event
- **Reduce the risks** associated with event handling
- Accredite your commitment internationally
- **Engage, meet, and meet** participants' expectations
- Increase appeal to potential investors and sponsors
- **Improve the company's image and brand**

But what are the areas that could be leveraged to start implementing a sustainable strategy?



Source: Own elaboration on the data of the article "Organizing Sustainable Events" – Punto3, 2014

The complexity of an event is due to the "anomaly" condition that it generates at the territorial level. In a narrow space-time window, a large number of people, materials, exhibitors, suppliers of goods and services, etc. are attracted, requiring a high mastery of management processes and operational tools. A sporting event does not begin and end with the event itself, but begins with the planning and organization of the latter. Therefore, it is important to take into account all the sectors that are part of the organization of the event. It is important to consider where this organization will take place, i.e. the organizational secretariat. In fact, not all the organizational secretariats of an event are used to adopt sustainable practices as it is not easy to change work practices consolidated over time. The event not only brings together fans and sports clubs but also numerous suppliers of goods and services. The achievement of a good result is closely related to the correct sustainable management

of all the supply chain²⁷. The main actors of an event love to feel protagonists of change, therefore, communicating their sustainability choices is the first step to involve them and at the same time inform them. Social media, newsletters, press communication and tickets could be used as an information and awareness-raising tool. Considering other aspects of the event, the set-up is its business card and realizing it in compliance with ecological criteria guarantees credibility and transparency to the environmental commitment of the organization. In addition to the set-up, merchandising is also a tool for presenting the company, moving from a merchandising composed of gadgets almost always useless to the adoption of functional, useful and environmentally friendly gadgets, would help the company to produce a series of advantages, both at an environmental level and at marketing and communication level: such as the reduction of CO₂ and energy emissions related to the production, production of waste if you choose useful products, strengthen the corporate image and the brand in the eyes of stakeholders, and implement an awareness strategy with objects that communicate the principles and values of the company. Another fundamental aspect is that of catering and recorded waste; it would be good practice to prefer food and drink that respects the environment and ethical-social rights, it is a crucial point from which to start. Providing an example: using mains water rather than bottled water will cut the costs of waste treatment, the amount of waste and consequently CO₂ emissions.

In 2021, Sky Sports UK signed the UN Protocol for Sport, a global movement that mobilises one billion people in the fight against climate change. Tottenham-Chelsea was the first zero-emission match. Carbon dioxide emissions from the Premier League match have been reduced and partly offset by natural projects. Fans were encouraged to take sustainable action throughout the day, including using public transport or cycling, respecting waste sorting with a view to recycling. Tottenham have invested in their own local transport infrastructure to and from the stadium, served by four train stations, a free shuttle bus for match day and a zero-carbon regional bus service. All food served inside the stadium was locally sourced and sustainable, with plant-based options available at all outlets. Finally, the two teams traveled to the match on a biofuel coach, a form of renewable diesel produced from food waste. The players, in order to set a "good example", also drank water from cartons, instead of plastic bottles. For the emissions to be offset, community reforestation in East Africa has been and will be supported by the club and new native forests will be created in the UK. The Tottenham team will also plant trees in the vicinity of the stadium by the end of the year. Unfortunately, this event was an isolated case and served more as a message than as the beginning of a sustainable strategy.

²⁷ Art 8.3 – ISO 20121

1.3 The sustainable market and the football industry current situation

In recent years, a growing demand for sustainable products and services has been perceived. This is due to the abuse of resources, renewable and not, by the human being. But what is sustainability? Sustainability is described as a condition, therefore, based on the concept of responsible use of natural, social, and economic resources and responsibility towards all the people who live on our planet. Currently, the world market for products and services that respect society and the environment has grown to 290 billion. When considering indicators that map the dimensions of the transaction towards sustainability, Italy is the leader of the green economy according to an analysis conducted by "La Repubblica" for the "Economy & Finance" section²⁸: Italy, in fact, is third in the EU-28 for atmospheric emissions of CO₂ equivalent per unit of product, it ranks second both for energy and material inputs per unit of product and second also for areas intended for Biological agriculture. In 2019 in Italy, one in five companies (21.5%) planned to make investments in green technologies and 56% of Italian companies have already adopted behaviors to reduce their environmental impact. Investments in circular economy processes have reached 13%, while the increase in value added per employee in highly sustainable companies is 10% higher. The environmental protection has become a priority for Italian consumers and today the Italian market is worth 6.5 billion euros.

Although the data represented would seem to demonstrate a change in business conduct, it should be emphasized that on Italian soil only 18% of companies are highly sustainable, against 52% still unsustainable²⁹. But why should a company embrace sustainability? First, for the constant increase in demand for sustainable products and services by consumers: 94% of Italians are convinced that adopting sustainable behaviors is "the right thing to do". The focus on sustainable products has grown even more during the pandemic: less than 10% of respondents do not recognize a small premium price for green products. Sustainability has become an important purchasing criterion: more than 36% of consumers in front of the shelves tend to choose products that produce low impact on the ecosystem and 63% say they are inclined to change their habits to safeguard the environment against the 29% recorded in 2019. These data would seem to be confirmed also by the "No Planet B" project, whose 70% of respondents say they would be willing not to do business with companies that are not sustainable.

²⁸ <https://www.repubblica.it/economia/rapporti/osservazioni/italia/trend/2020/01/22/news/1-ecosostenibilita-nel-carrello-dei-consumatori-italiani-vale-6-2-miliardi-246358274/#:~:text=Sostenibilit%C3%A0%20che%20%C3%A8%20sempre%20pi%C3%B9,6%2C5%20miliardi%20di%20euro>

²⁹ Nomisma, 2020

Talent is necessary to satisfy the long-term survival of any company by being the fundamental driving force behind it all. Companies should also consider the concept of "sustainability" for talent retention: several studies³⁰, in fact, point out that 90% of young people are sensitive to sustainability issues and that 75% of millennials would take a salary cut to work in a socially responsible company. Millennials, in high-income countries, account for 30% of the workforce and represent pawns of change in the game. They are perhaps the first generation whose majority believe that the main purpose of business should be the improvement of society instead of generating profits. In fact, if before the evaluation of young talents was carried out only based on the financial solidity of the company, today in their evaluation criteria there is also corporate sustainability. There is no doubt that the way companies intervene in society is evolving. Evolving means moving from charity to making good Corporate Social Responsibility (CSR) initiatives, which are funded by the company's profits and are not seen as strategic or generate revenue through alternative ways.



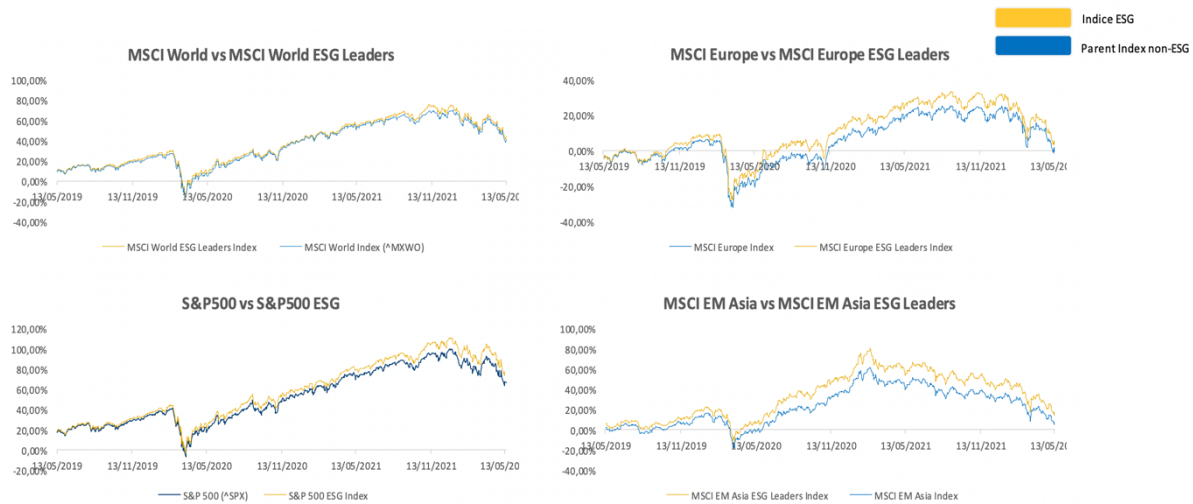
Secondly, companies should consider what concerns risk management: the negative impact of sustainability-related risks such as compliance with new regulations, reputational problems, or even operational risks, reaches 70% of EBITDA. The 2016 "CEO Study"³¹ conducted by Accenture confirms this data. In fact, according to the latter, the quite widespread idea sees the reduction of risks, consumer interest and reputational issues that are the real factors that push to improve non-financial communication. In addition, we can consider the previously partially mentioned market changes. In this regard, companies that have adopted a truly transformative aspiration for sustainability will almost triple in the next five years; it will therefore be inevitable to pursue this strategy in the following years to remain competitive on the market. What's more, the adoption of sustainability offers business opportunities: products marketed for sustainability have grown 5.6 times faster than conventional market products. Finally, due to pressure from financial markets, global sustainable investment assets have risen from \$22 trillion to \$3trillion in just two years³². There is no doubt that we are in a growth scenario and according to Bloomberg's estimates in 2024, in an average scenario, these assets could reach 53 trillion.

³⁰ Circular Fashion Report, 2020 and PwObservatory Millennials and Jan Z

³¹ <https://www.accenture.com/us-en/insightun-global-compact-ceo-study>

³² Global Sustainable Investment Review, 2020

There are conflicting opinions in the literature about the impact that the integration of sustainability into the various business models has on companies. What we can see, however, is that for all the geographical areas analyzed, ESG indices have performed better for the last 3 years, albeit slightly, than non-ESG Parent Indexes, maintaining an almost identical volatility of returns.



Source: Yahoo Finance

Correctly identifying the sustainability issues essential to business success gives investors the opportunity to explain the benefits of sustainability more strategically. This allows us to deal with a very important topic which we will analyze in more detail in the next chapter: awareness among top management. In fact, this is one of the biggest problems when it comes to the implementation of a sustainable strategy, and therefore innovation. As we shall see, 55% of PwC survey respondents in 2019 say that companies do not know how to proceed with this. The task of managers is in fact two-fold as well as delicate: on the one hand it is necessary to know how to correctly select issues with materiality, being aware of it, and on the other hand they need to be able to demonstrate to investors, and in general to stakeholders, that these issues, effectively addressed, are able to create value. This explains the need to use efficient dissemination vehicles and to this end reference can be made to the new recommendations of the Financial Stability Board (FSB) which allows non-financial information to be conveyed externally in a transparent and standardized manner. Despite the presence of these recommendations, there is still another heterogeneity of non-financial reporting methodologies, this implies a poor comparability of the results and performance of companies which implies a non-alignment of the market with respect to the common objective.

The sports industry reached almost 441 billion dollars in 2021 (391 billion euros) and expects to reach 600 billion in turnover by 2025 with a CAGR of 8%³³. Sponsorships remain the main source of revenue. According to Research and Markets, the sponsorship market will reach 92 billion in turnover in 2027, recording an annual growth of 6%. North America accounts for 42% of the entire business unit³⁴. Based on these data, it is inevitable to say that sport, especially football, has the ability to influence the decisions of consumers: *"football teams are in the hearts of the people"*, explained Shaun Spiers, executive director of Green Alliance in 2020 continuing with: *"they can do more, but above all they can make us understand more about the importance of these issues"*. In fact, the six most famous clubs collect, alone, 70 million followers on social media, the Premier League reaches 725 million homes and 3,5 billion people have seen at least one match of the last World Cup. Football has become a self-promoting vehicle more than a sport, so why not use it for awareness and education for spectators? The new strategy for sustainable European football conceived and designed by UEFA will be implemented by 2030; a date too far away for what are immediate needs.

*"Leaders who are able to pursue this research will leave a legacy, not only of a better company and greater shareholder return, but also of a better planet and a better society"*³⁵. As we will see in more detail in the next chapter, when it comes to implementing a sustainable strategy there are not only advantages. A particular risk that companies may face is that of having to manage internal tensions between the old identity and the future one. Sustainability and innovation are considered substantially opposite concepts, because many technological and industrial innovations have a negative impact on the planet and on people's well-being. Sustainability issues and societal challenges have been mistakenly separated from the company's core business; in fact, sustainability issues are assigned a plan of secondary importance, without a connection with the "core business" of the company. The approach adopted to date is imperfect: sustainability issues, including plastic waste and global warming, require generalized and collective action, based on the integration of all participants in the supply chain through the adoption of agreed standards and targets. Every organization must be economically productive and financially responsible: this will allow them to have resources to improve their social performance. Therefore, it is necessary to become part of the world of strategy and sustainability to achieve resilience and lasting competitive advantage through the innovation of the current business model. There is, in other words, the need to develop business models that, in addition to being innovative, are also sustainable. *"Companies must begin to understand that sustainability is not an addition, a color painting of a business that basically does not change"* are

³³ La Repubblica – Economia A&F Observes Italy, 2022

³⁴ Statista

³⁵ The Boston Consulting Group, 2020

the words of Luciano Floridi released in an interview with EconomyUp. " *The game will be a winner if the company succeeds in re-engineering processes and products for the market in favor of the environment and society. If, on the other hand, it continues to do "business as usual" (...) it will be doomed to failure*", continues the philosopher Floridi³⁶.

There are several technologies, already used in different sectors and companies, that could lead football clubs on the right path. In fact, what would be needed is a radical cultural change, which consists of small measures that could bring great benefits to societies at the environmental, social, and economic levels. Take, for example, the Philadelphia Eagles case: the Professional National Football League club has incorporated on-site renewable energy generation thanks to more than 11,000 solar panels and 14 wind turbines that line the top of the stadium, Lincoln Financial Field, and generate a third of the total energy of the entire plant. This change not only reduces the environmental impact of the match, but also cuts the costs related to energy use by far. Citing instead the case of the Wigan Warrior, a British rugby team: the club has distinguished itself for the initiative "The Green Warrior", which offers a program called "The Learning Curve"³⁷. It is a real educational guide that involves primary schools in the area with the aim of raising public awareness of the renewable energy of the territory and thus helping local schools to reduce their energy and carbon footprint. AS Roma, SS Lazio, FC Internazionale Milano, AC Milan, Bologna Football Club 1909, and Cagliari Calcio have repeatedly expressed their desire and intention to build their own stadium³⁸. These companies could follow the example of Forest Green Rovers which, by 2025, aims to build the most environmentally friendly stadium in the world, almost entirely made of wood to pursue a more sustainable strategy³⁹.

Based on the observed data relating to the sports industry, it is appropriate to make an examination of what sport is today and what it represents for the society and economy of a country: it should be considered only as an event or is it a means of integration and cultural development capable of spread healthy and genuine values? Is it so economically attractive as to attract a different number of companies belonging to the most varied sectors of economic activity and be considered a leading sector for the Italian and European economy? Would the implementation of a more sustainable strategy benefit the planet, the societies, and the coffers of these companies? These are all questions to which we will try to give a reasonable answer in this paper.

³⁶ EconomyUp, Sustainable innovation: what it is and the technologies that can make the planet better by Luciano Maci, 2021

³⁷ <https://es.mitsubishielectric.co.uk/the-hub/greenwarrior>

³⁸ <https://www.calciofinanza.it/2022/01/26/europa-stadi-in-costruzione/>

³⁹ Financial Times, 2019 - <https://www.ft.com/content/d66ba036-763a-11e9-be7d-6d846537acab>

Chapter 2:

Companies are moving more and more towards the adoption of sustainability: in recent years we have witnessed the introduction of the United Nations Global Compact, which supports the Sustainable Development Goals and provides for the adoption of the Global Reporting Initiatives. To make this transition happen, one should optimize both social and corporate value, while trying to remain profitable leaving behind the doctrine of maximizing shareholder value alone. Of course, these conflicting goals, logics, and identities, often opposed, have consequences, and could give rise to different internal tensions, inconsistencies between business strategy, operations and value chains, and inconsistencies between what is promised and what is delivered (e.g., greenwashing, purpose washing).

Turning words into deeds is the current challenge that football clubs, and the world of sport more generally, are facing nowadays. We often talk about reforms and improvements, but looking at the situation, it would seem that we are still in the "work in progress" phase. The advantages that companies could derive from a correct implementation of a sustainable strategy would be manifold, to name a few: reduce and/or avoid image repercussions and regulatory sanctions and, to generate growth, develop a better competitive positioning, reduce costs, acquire, and retain talent and workforce, etc.

In this chapter we will observe and analyze what is the current situation of the clubs, and through the words of some exponents of the sector we will try to identify where the gap between words and actions is. This space represents a starting point for an improvement not only in economic performance but also in an improvement regarding the environmental and social impact of Italian football clubs.

2.1 The “tactics book” of sustainability

At the end of the 60s and 70s, the Italian public opinion started having a strong interest in what is the environmental issue. Following the first dramatic effects of pollution and the oil crisis of 1973, environmentalists were intent on showing how environmental issues could be linked to major development issues⁴⁰. In the mid-80s, the commission chaired by Gro Brundtland, then Norwegian

⁴⁰ BIORCIO, R. e LODI, G. (eds.): *La sfida verde. The ecological movement in Italy*. Padua Angela, 1988.

minister, became the focus of this debate; the energy saving and the use of alternative energies, brought out the need to rethink. The relationship between man and nature culminated in the historical report "Our Common Future" in 1987. On that occasion, the now classic modern definition of sustainable development was proposed: *Sustainable development is a development that meets the needs of the present without compromising the ability of future generations to meet their own.* The concept of sustainable development at the macroeconomic level has been developed over the last 15-20 years. This concept is based on the objective of increasing or at least stabilizing well-being or utility per capita over time without worsening present or future generations⁴¹. Starting from this macro-concept, the concept of sustainable development has been increasingly applied to individual economic subjects such as companies⁴². Sustainability, in fact, *is not only about avoiding negative effects on the agents mentioned above, but it is about creating positive results*⁴³.

The letter from Larry Fink, CEO and president of BlackRock, is considered the turning point for the issue of corporate sustainability. Black Rock is a New York based investment management firm and manages roughly \$6 trillion of assets on a global basis, and given its size, The Economist described Black Rock as the world's largest shadow bank. Well, in 2019 Larry Fink wrote a letter to CEOs expressing the opinion that companies should do more than make profits. Fink said that to thrive over time, every business must not only provide financial performance, but also show how it makes a positive contribution to society. Many CEOs began to speak explicitly about the purpose of their companies, and others rejected Fink's ideals, challenged by Sam's corporate socialism. In that regard, it cannot be said, therefore, that there is an unequivocal consensus as to what the purpose actually is. The diffusion of consensus and the growth of salience of the objectives do not develop in a correlated way: in fact, the increase in salience of some objectives in some cases causes a decrease in the area of consensus. This is due to the fact that some sectors see an implicit threat to interests considered priority (i.e., economic goals) in the growing importance attributed to some issues, such as the one in question. There is therefore a strong ambivalence: even if these dangers of progressive environmental degradation are recognized by all citizens, the level of priority given to the latter has been so low until recent years as to make tolerable the absence of any type of effective public intervention in this area. The letter is a call to action supported by the diagnosis of the current global situation; the world changes rapidly and more is expected from business than just the pursuit of profit and if the business does not meet these expectations, there will be inevitable consequences. Fink believes that the global landscape is fragile as consumers' trust in businesses is deteriorating over time. This hypothesis is

⁴¹ Hicks, 1946, pp. 172 and 184

⁴² Gladwin et al., 1995a, Callens and Tyteca, 1999

⁴³ WCED, 1987th: 43

subsequently confirmed by the "No Planet B" study whose 61% of respondents claim that the genus *homo sapiens* has either failed and believe that companies have not done enough to limit environmental damage. This letter was drafted before the COVID-19 pandemic, which makes us reflect on the seriousness of the situation.

Moreover, the concept of sustainability has been expanded to take on a multifaceted aspect over the years: in fact, the classic and now acquired concept of environmental sustainability is flanked by concepts such as economic and social sustainability. Therefore, the concept of sustainability *implies the ability of a development process to support over time the reproduction of world capital composed of economic, human/social and natural capital*⁴⁴. Going to analyze these three dimensions in more detail we can say that:

- The concept of **economic sustainability** concerns the analysis and study from the financial point of view of an economic process and means the ability of this process to generate lasting growth of economic indicators such as the ability to generate income and work for the livelihood of populations.
- According to the Brundtland Report of 1987, the term **social sustainability** indicates a *"balance between meeting present needs without compromising the ability of future generations to meet their own."* In other words, it means the ability to guarantee conditions of human well-being (i.e., safety, health, education, etc.) equally distributed by class and gender.
- **Environmental sustainability** means the ability to guarantee the protection and renewal of natural resources and heritage in which the exploitation of resources, the investment plan, the orientation of technological development and institutional changes are all in tune and enhance the current and future potential to meet the needs and aspirations of man.

From here it is easy to deduce that the pursuit of sustainable development depends on the ability of governance to ensure a complete interconnection between economy, society, and environment. But, how could this problem be solved? According to Fink, the government fails to provide lasting solutions when there are fundamental economic changes. The context of the financial crisis and growing awareness of social and environmental issues has led to less confidence in businesses and to the burden of social problems falling on them. People tend to change their accreditation of companies,

⁴⁴ United Nations World Summit – Copenhagen, 1995

which should act on issues ranging from environmental protection to retirement, gender and racial inequality. It should also be mentioned that the population sees and companies as part of the problem not only social but with particular regard to the protection of the environment. Fink makes a particularly important point here by reminding companies that the corporate purpose is not a simple slogan or a marketing campaign but is the fundamental *raison d'être* of a company - what it does every day to create value for its stakeholders - specifying that "**purpose**" is not the only pursuit of profit but the driving force to achieve it. *The purpose of a company is a matter of organizational level (board-level) on the basis of which key decisions are made regarding the business model and business strategy of the company.* Profits and business purpose are closely linked; profits are essential if a company wants to effectively serve all its business over time and in this regard we are not only talking about stakeholders, but also employees, customers and communities. Similarly, when a company truly understands and expresses its goals, it operates with the goal and strategic discipline that drive long-term profitability; in other words, moving to a long-term oriented strategy. In fact, purpose is the tool that unifies management, employees and communities, it is what drives ethical behavior and creates essential control over actions that go against the best interests of stakeholders. Purpose also drives culture, provides a coherent decision-making framework, and ultimately helps support long-term financial returns for shareholders. "[...] *businesses perform better when they are aware of their role within society and when they act in the interests of their employees, customers, communities and shareholders,*" argues Larry Fink in his writing, *"If you stay true to the purpose of your society, and focus on the long run, adapting to the new world around us, you will achieve lasting returns for shareholders and help create capitalism. better and more sustainable"* he continues⁴⁵.

An interview conducted by Price Water House Coopers (PwC) in 2019 with 275 CEOs on the subject showed that nine out of ten CEOs believe that their company has a clear purpose. This is an important awareness that leaders should have because it allows them to explain how corporate values influence decisions by promoting ethical behaviors in addition to compliance. These data reveal a new trend towards openness, intentionality and with regard to integration and performance progress. While it doesn't guarantee that these CEOs are actually moving from words to deeds, it can still be considered as a positive development. In August of the same year, CEOs of 181 of the world's largest companies, as part of the board of the corporate roundtable, stated that the purpose of a company is not only to serve shareholders, but to create value for all of a company's stakeholders. This statement refers to Larry Fink's letter and clearly demonstrates the transition beyond the tipping point, at least in theory. But if we move from these high-level questions to more granular questions regarding management:

⁴⁵ Isole24hours - BlackRock Larry Fink to CEO: sustainability brings profit, January 2022

what do we find? Is there consistency between the declared value and the way companies are managed? When we focus on data that is not about aspirations and values, but about tangible management decisions, we get a very different perspective. CEOs said that the "availability of key competencies" affects their growing prospects. In addition, the first impact found concerns the inability to innovate effectively (supported by 55% of respondents) and that companies do not know how to proceed. This last result would seem to be also supported by the results of the "No Planet B" interviews whose results show that 96% of the elements agree that they are not able to manage sustainability and systems, shifting responsibility to third parties and preferring profitability to sustainability. Although purpose is of paramount importance to more than 90% of CEOs surveyed, only 28% believe that purpose is relevant in acquiring a target company, and only 38% believe it is important whether or not companies outside of partners share their companies' value system⁴⁶. In conclusion, these data tell us and show us where the leadership in this matter really lies and show us the amount of work to be done to improve the business-sustainability binomial.

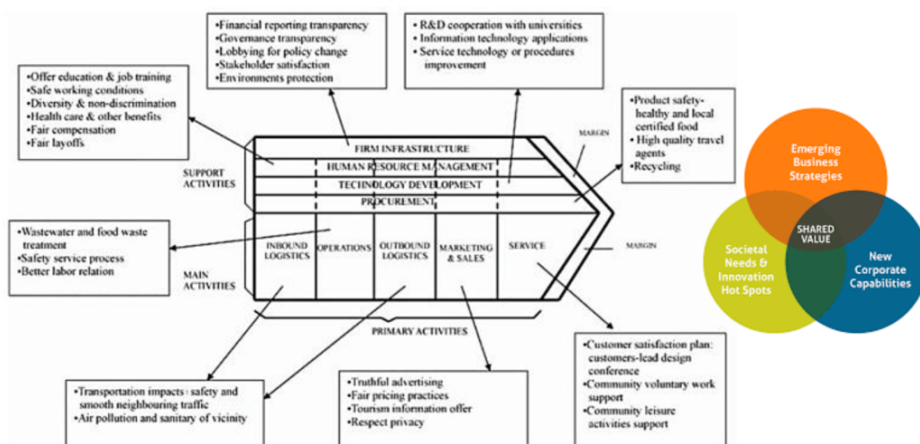
According to Professor Michael Porter, the ability of companies to innovate and reach different dimensions is crucial to address many societal challenges over time. Philanthropy alone cannot bridge the estimated \$2.5-3 trillion annual investment gap needed to achieve the SDGs but implementing sustainable business models to achieve the SDGs will create opportunities for companies worth about \$12 trillion.

Companies that adopt the concept of sustainability embark on a journey towards the latter. Typically, travel constitutes three key steps: (i) the company seeks to be compliant in economic, but also environmental and social terms – This is also called a reactive approach; companies that aim to balance economy, environmental and social performance are typically driven by the need to initially comply with regulations. (ii) Embrace sustainability as a risk management process – subsequently, companies begin to consider ESG risks as these could also affect the company's ability to generate economic value. (iii) The sustainable development of the business is integrated as part of their research and development – This is called a proactive approach; Finally, organizations recognize the entire business case for sustainability and begin to reference these two dimensions in a strategically integrated way.



⁴⁶ PwC, 22nd Annual Global CEO Survey

It is also important to understand that the implications of this journey at the corporate level can be perceived and at three key levels: strategic, operational, and governmental. On the strategic side, the presence of hybrid companies in the market is changing several aspects such as the openness to learn "from the best in field", but it also represents an opportunity to innovate as there are new targets / niche markets that require a specific strategy and specific needs / missions. When it comes to governance, companies need to start focusing on ESG; which are a balance between qualitative and quantitative indicators. Companies should also focus on the long term, especially with regard to return on capital. Ownership and control are important tools to influence change and embark on a journey towards the progress of society. As far as the operational part is concerned, just think of the impacts in the value chain that will change radically to create what is called "shared value".



In 2011, Professor Porter and Professor Kramer of Harvard Business School published on HBR a seminal article on creating shared value that has since had a profound impact since it represents the intersection of performance and progress⁴⁷. Porter and Kramer define shared value as *the set of policies and operating practices that strengthen a company's competitiveness while improving the economic and social conditions of the communities in which it operates*. At the heart of the concept is the link between social well-being and economic success. Proposing an example, the creation of shared value takes place when the implementation of a technology developed to reduce the emission of greenhouse gases also allows the company to reduce costs. However, according to the authors, companies act guided by the trade-off between social benefits and economic success, in the belief that the pursuit of one automatically excludes the achievement of the other. This aspect was also addressed by Porter in his speech at TED Global 2013 "Why business can be good at solving social problems"; *"the mistake lies in considering it an activity external to the core business, generating*

⁴⁷ M. E. Porter and M. R. Kramer, Strategy and Society: The Link between Competitive Advantage and Corporate Social Responsibility, in "Harvard Business Review", 2006, pp. 77-92

additional costs that disperse the capital of the shareholders. If companies were to take a long-term view, they would realize that social damage will most likely become internal costs for the company in the future, while the development of technologies and ideas to respond to social problems will bring innovation and profit."

The article mentioned the need for an innovative approach to shift the boundary between conventional markets, typically those in which companies operate, and market failures, in which government and NGOs generally operate. Porter and Kramer believe that government and NGOs lack the financial resources, managerial skills and experience to fully address the significant social, environmental and economic development challenges that societies around the world are facing. The concept of shared value they developed was their contribution to overcoming this impasse, as shared value opens up important strategic opportunities to create competitive advantage by driving the next wave of innovation, productivity and economic growth. The concept of shared value was later taken up by Rob Smith, senior director of corporate responsibility at pharmaceutical company Eli Lilly, who in his article published in Stanford Social Innovation Review in 2019 described it as: *the value of shares is created when a company applies its resources and skills to a social need in which it has an acquired interest.*

Porter and Kramer's theory does not seem untouchable. A first difficulty concerns the overlapping of the concept of shared value with Corporate Social Responsibility, which makes it difficult to delineate the boundaries of shared value. While the two economists believe that the two approaches are completely different and the first constitutes the solution to the failure of the second, many economists, scholars and entrepreneurs do not recognize any new contribution of shared value to the economic literature.

According to these parts, the creation of shared value takes up concepts already formulated in the literature on CSR, in Edward Freeman's stakeholder management theory and in social innovation⁴⁸. Therefore, according to them, it would not be an innovative solution, but only a personal interpretation of existing theories⁴⁹. Porter and Kramer are accused of reporting a distorted view of CSR as they do not report elements of the new literature with respect to the link between it, the core business of a company and the introduction in 2010 of the legislation on Benefit Corporations. Moreover, the criticism of this theory also addresses the very concept of shared value that would

⁴⁸ A. Crane, G. Palazzo, L.J. Spence, D. Matten, Contesting the Value of the Shared Value Concept, in "California Management Review", volume 56, n.2, 2014

⁴⁹ J. Elkington, don't abandon CSR for creating shared value just yet, in "The Guardian", May 2011

resume, according to the critics, the stakeholder theory. Stakeholder theory argues that the performance of a company that takes into account the needs of its stakeholders, are equal if not greater than those of a company that does not act in this way⁵⁰. In addition, the realization of economic results and the simultaneous pursuit of social objectives has already been suggested in 2000 by Jed Emerson in his concept of "blended value", while, in 2005, Stuart L. Hart in "Capitalism at the Crossroads" had already proposed new strategies to create business models that would allow to drive economic growth and at the same time solve social and environmental problems. In addition, the concept of shared value would also seem to refer to the concept of social innovation defined as *a process that considers the needs of society as opportunities to develop ideas and technologies, identify new markets and solve business problems*⁵¹.

Further criticism has been levelled against the concept of shared value. Critics argue that the theory proposed by Porter and Kramer superficially considers the complexity of social and environmental problems, simplifying them through the elimination of the trade-off between economic outcomes and social benefits. In addition, the criticism underlines the risk that could be faced, namely that of creating shared value limited to a certain product of the company, while continuing to produce a negative impact with the products of the core business. It has also been observed that the concept of shared value is not applicable in all industries. Examples are the tobacco, arms, and oil industries where the creation of value for society can hardly be translated into economic value for the company⁵².

Finally, a final criticism of the theory under analysis concerns its inability to produce a direct effect on the brand. The proposed alternative is to focus on programs that can leverage the assets and capabilities of an organization to produce a direct effect on consumers, also called "leveraged social programs"⁵³.

The overlap of the theories is undeniable so much so that they share points in common:

- The integration of the social objective into the business strategy on all levels from strategic planning to daily operations

⁵⁰ Edward Freeman, *Strategic Management: A Stakeholder Approach*, Boston, Pittman 1984

⁵¹ Moss Kanter, 1999

⁵² D. Weinberger, *Shared Value vs. don't be evil*, in "Harvard Business Review," April 2011

⁵³ D. Aaker, *Creating Shared Value vs. Leveraged Social Programs*, in "Harvard Business Review," June 2011

- The integration of the process of measuring shared value into the process of measuring economic performance.
- Creating competitive advantage through innovation
- Lack of reporting that can quantify and describe relevant factors

In recent years, companies have begun to look at social engagement through a completely different lens, recognizing the enormous potential of businesses to contribute to progress by making a profit. Several companies have stated that they have started to take the path of Corporate Social Responsibility (CSR), but as long as this is aimed only at improving their reputation, poor or in any case non-lasting results will be obtained. Once the objectives have been defined, it is not sufficient to guarantee their attainment. What is needed, as Jeffrey Sachs⁵⁴ explains, is a general change of strategy that leads to using the available resources differently: "*sustainable development is not just a hope or a slogan; it's time to give it all the attention and investment it deserves*"⁵⁵. *We need huge investments in the field of development and use of non-coal-based energies, and we need to stop building plants that exploit fossil fuels*", specifies the expert who then continues: "*Stop also to polluting vehicles in favor of those with less impact on the environment*".

The integration of sustainable objectives into the company's core business and strategies necessarily implies a shift in the reference time horizon. Therefore, the achievement of objectives and the evaluation of performance will be measured in the medium-long term and must also take into account the value produced for the company and for all stakeholders. A study conducted in 2016 by the McKinsey Global Institute in collaboration with LTE Global, showed that companies that focus their activities on the long term recorded 47% higher revenues and 36% higher earnings. In addition, these companies added an average of 12,000 more jobs than their peers. However, finding relevant measures for a sustainable business is far from trivial. Many companies are discouraged from adopting these types of strategies precisely because of the lack of a theoretical framework focused on the link between social, environmental, and economic outcomes.

In the article "Measuring Shared Value: How to unlock value by linking social and business results", Porter and the other authors analyze the tools available for measuring shared value and come to the conclusion that it is possible to create shared value through the measurement process only if it is possible to identify the social benefits produced by the investment and if it is possible to determine

⁵⁴ EU.S. expert recognized worldwide as one of the greatest economists dedicated to supporting sustainable development policies

⁵⁵ Jeffrey Sachs, BCFN forum Milan December 2016

the economic return deriving from the impact produced on society. Among the tools available are the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the ILO Guidelines⁵⁶, the UN Sustainable Development Goals (SDGs) which constitute the new global goals to be achieved by 2030 and which are useful for the declaration of principles and values. There are also evaluation models such as the SA800 or AccountAbility 1000 model⁵⁷ and, finally, standard reporting standards such as the Global Reporting Initiative (GRI) are present in the market. The limitation of these measurement methods, however, is the failure to link environmental and social performance with economic results. But it must be emphasized that most of the time the companies forget about the preparation phase of the data. The first phase, in fact, consists precisely in the identification, collection and verification of relevant data. A second step is the conversion, transformation, and reclassification of data. The last phase is the consolidation and aggregation of data, since the latter must be taken over by the tools and/or applications that deal with planning and control, and reporting.

To address this shortcoming, Atkinson suggests measuring this development in terms of corporate contributions to sustainability, thus adopting a dynamic vision and, consequently, judging a company's sustainability based on its economic, environmental, and social performance. The objective of the measures taken is, in other words, to assess the contribution of companies to sustainability that includes all three of its dimensions; environmental, social, and economic⁵⁸. Therefore, a sustainable measure must consider the efficiency and effectiveness of all three dimensions of sustainability at the same time and, in addition, this measure should provide an answer to two main questions, (i) whether an entity has reached a threshold level, i.e. whether the use of a resource by an entity is sustainable (if-question), (ii) where resources are to be allocated to achieve the maximum possible contribution to sustainability, or whether the resource reaches the maximum surplus per unit of resource (where-question).

⁵⁶ L. Bagnoli, Social responsibility and measurement models, Franco Angeli

⁵⁷ The AA1000 standards are established by the Institute of Social and Ethical AccountAbility (ISEA). L. Bagnoli p. 43.

⁵⁸ Lawrence, 1997, Moser, 2001

		Benefit > Cost ? (If-question)	
		considered	not considered
Maximum benefit? (Where-question)	considered	absolute Sustainable Value Added	relative Sustainable Value Added
	not considered	Net or Green Value Added	Value Added

The Value-Added Model dates to the 70s and is now considered part of the broader Corporate Social Responsibility. Added Value means the difference between revenues and production costs⁵⁹. This model answers both our questions and the overall result can be expressed in any of the three dimensions of sustainability. This method measures whether a company creates added value while ensuring that the environmental and social impact is totally constant. Therefore, it takes into account both the ecological and social

efficiency of the enterprise and the absolute level of consumption of environmental and social resources, thus simultaneously considering economic, environmental and social aspects⁶⁰. This method is considered for two main reasons: (i) it allows to evaluate how much wealth has been produced by a company avoiding double counting and (ii) it closely links the Sustainability Reports to the Income Statement. However, the problem remains. In fact, since in the literature there is still no officially recognized model for measuring companies' contribution and the correlation between social benefit and economic results, companies do not feel "safe" when it comes to investing in the implementation of a sustainable strategy.

In this context, the question of whether we are witnessing a real change in corporate culture is of considerable importance. On the one hand we have: (i) Larry Fink's letter, (ii) the research of a considerable number of companies, (iii) the declaration of the corporate round table on the purpose of society.

All seem to indicate a willingness to embrace the approach of value for stakeholders and leave behind the doctrine of maximizing only value for shareholders. However, there are significant tensions and obstacles created by short-term incentive bonuses (financial ecosystem) etc., inconsistencies between business strategy and operations, and value chains, and inconsistencies between what is promised and what is delivered (e.g., greenwashing, purpose washing).

In conclusion, turning words into deeds is still very much a "work in progress", but companies should and must do so, to avoid reputational and regulatory risks, to generate growth, develop a better competitive positioning, decrease costs, acquire, and retain talent and workforce.

⁵⁹ These costs are limited to the costs of goods purchased and services useful for the production process

⁶⁰ <https://www.sciencedirect.com/science/article/pii/S0921800903002866#FIG2>

2.2 The purpose washing, greenwashing, and sport washing "yellow card"

In Larry Fink's letter titled "A sense of purpose" that we talked about in the first chapter, Fink invites companies to create value for a long time: "*Companies must ask themselves: what role do we play in the community? How do we manage our impact on the environment? Are we working to create a diverse workforce?*".

As we have explained above, the corporate purpose is the reason why it exists and represents the set of ideas, values and purposes that characterize its essence. The purpose calls companies to an assumption of responsibility, including social, so a turn guided by the purpose implies activating good practices that make their social and environmental impact concrete. Moving from words to deeds is still a great "work in progress" and public opinion accuses CEOs of not "walk the talk" or not acting according to what has been said. In this regard, we talk about purpose washing and other shortcomings of these.

Professional sports have been promoting their ecological credentials for years, yet no real improvement in their activities has yet been seen, thus being complicit in the global environmental crisis. As we introduced in the previous chapter, sports are responsible for significant carbon footprints through the construction of stadiums, the use of energy for the activation and illumination of the latter, the journeys of players and spectators, etc. The impact of sport on climate change has been further exacerbated by recent sponsorship agreements with unsustainable oil and gas industries or textile companies and by incorporating the daily pleasure of sport into them and thus infusing extractive companies with a positive image. Toby Miller⁶¹ argues that such activities are equivalent, not only to purpose washing, but also to green washing. Greenwashing is defined as a *communication or marketing strategy pursued by companies, institutions, bodies that present their activities as eco-sustainable, trying to hide their negative environmental impact*⁶². These are to all intents and purposes deceptive practices, aimed at demonstrating a fake commitment to the environment with the aim of capturing the attention of consumers attentive to sustainability, who today represent a good slice of the public, as we have seen. The objective of green washing can therefore be said to be twofold: (i) to enhance the environmental reputation of the company and (ii) to obtain the benefits in terms of turnover by increasing the customer base. According to Miller, sport is complicit in two ways: for climate change itself and for the inability to deal with it. On the one hand, they are directly

⁶¹ Toby Miller is a British/Australian-American interdisciplinary social scientist specializing in cultural studies and media studies

⁶² Treccani

responsible for significant carbon footprints and ecological crimes, on the other hand they strive to legitimize the damage they cause by promoting themselves as good environmental citizens. Taken together, this amounts to a serious case of green washing as sport leaves its ecological mark and at the same time provides a symbolic cover for the most significant polluters, sponsors.

As we have previously stated, the impact of sport on climate change has been further exacerbated due to recent sponsorship agreements by fossil fuel companies. Since the theme of "climate change" has finally become mainstream, these fossil fuel companies feel their reputation strongly under attack and, using the typical football jargon, try in every way to get out of this "penalty area" where they feel holed up by doing what is called "sport washing"⁶³. In other words, it seeks to exploit the positive values of sport to conceal its negative impact on the environment. Taking the ENI case as an example, during the ordinary shareholders' meeting of May 2021, the same company found itself explaining, in response to Greenpeace's question, the reasons that led it in recent years to sponsor the 19 national teams of the FIGC, among which the team led by Roberto Mancini stands out. ENI has in fact admitted that "*The basic assumption of the partnership with the Italian Football Federation is the value of football as a unifying symbol of our country and as an effective driver of communication, with a strong interest and emotional involvement of the vast majority of the population*". The sponsorship by the company in question of the Italian national teams began in May 2016, a few months after the achievement of the Paris Agreement⁶⁴.

But let's take some precise events to analyze how the world of football has found itself at the center of accusations of green washing in recent years. The 2006 World Cup was supposed to feature a "Green Goal", which claimed to make the event "*climate neutral*" by saving 100,000 tons of carbon dioxide through compensation projects in India and South Africa and minimising transport, energy, water and waste. But the data excluded international travel due to these events, representing a crucial difference between environmental audits, which did not consider wider ecological impacts. This has inevitably led to accusations of greenwashing⁶⁵. Another example is the 2010 World Cup in South Africa. South Africa has one of the worst records in the world for abandoning alternative energies. Due to poor inland transport infrastructure and dependence on coal-fired energy, a huge carbon footprint was inevitable as a result of an influx of tourists. Before the 2010 World Cup, the South

⁶³ The practice of an individual, group, corporation, or nation state using sport to enhance its tarnished reputation, hosting a sporting event, buying, or sponsoring sports teams, or participating in the sport itself.

⁶⁴ A Global agreement between Member States of the United Nations Framework Convention on Climate Change on Greenhouse Gas Emission Reduction and Finance, reached on 12 December 2015, covering the period from 2020.

⁶⁵ Collins et al., 2009

African and Norwegian governments conducted a study on its likely environmental impact with the following results:

Component	Emissions (tCO ₂ e)	Share (%)
International transport	1,856,589	67.4
Inter-city transport	484,961	17.6
Intra-city transport	39,577	1.4
Stadia constructions and materials	15,359	0.6
Stadia and precinct energy use	16,637	0.5
Energy use in accommodation	340,128	12.4
Total excluding international transport	896,661	
Total including international transport	2,753,250	100

Source: Republic of South Africa et al., (2009).

Mainly fueled by tourism, the 2010 World Cup finals had the largest carbon footprint of any commercial event in world history, twice that of the 2008 Beijing Olympics. Due to a lack of speedy adaptation of the infrastructure, 850,000 tons of carbon have been spent, of which 65% through construction and flights. The South African Government has generated tender documents calling on competition to offset the environmental impact of travel to the World Cup, but without success in issuing any type of contract. Green Goal has sought to inspire further environmental initiatives over time and across the country, but neither effectiveness nor proliferation has been satisfactorily demonstrated.

2.3 The attempt at reforms for a more sustainable future

As repeated several times in the previous paragraphs, in the football industry there is a lot of talk about the implementation of sustainable strategies, but a concrete result has not yet been achieved. In fact, companies and organizations promise to adopt more sustainable strategies or even to transform their business model in the "near future", which is actually not so close. The football industry, in fact, despite its importance in terms of economic and social impact, is resuming the principles of sustainable management rather late by promising changes for 2030 or even 2040, not laying solid foundations in the present. In the following paragraph we will see some statements or promises of change by representatives of the sector that have not led to a result, at least until today.

In 2018, the European Union estimated that a single spectator, on the day of a match, produced almost a kilo of waste. On average, the beauty of 4.2 tons for an entire stadium. In the same year, Life Tackle was born. Life Tackle is a pioneering project aimed at helping football reduce its footprint on the environment. Tiberio Daddi, director of the project, in 2019 declared that *"the path ahead is long and there is still great room for improvement"* and that what is needed most of all is a specialized governance: *"More than the will, often, knowledge is missing. [...] Too many have never used green criteria in the selection of suppliers, nor do they collect data on environmental impact."* Not always within the organization of football clubs we find a department of social responsibility, but, if present, usually 10% of their activities concern the environment. *"We need independent environmental directions that can create a consistent impact,"* says Tiberio Daddi.

Even earlier, in 2007, the Commission of the European Communities presented "White Paper on Sport" which it declared; *"Sports organisations and initiators of sporting events in Europe should adopt environmental objectives to make their activities environmentally sustainable. By improving their credibility on environmental issues, responsible organisations can expect specific benefits when applying to host sporting events, and economic benefits linked to a more rational use of natural resources"*⁶⁶.

"The problem is that we struggle with our hands tied behind our backs between bureaucracy and administrative hypertrophy. But now is the time to change the register. If companies need to make quick decisions, it is essential to be even faster in sport." The president of CONI, Giovanni Malagò, declares in an interview conducted by "IlSole24ore" after the 2020 Olympics. What the president wanted to convey is the urgency with which sports clubs should act to restore what is now a hypertrophic system. The president also stresses that it would be necessary to start implementing new sustainable strategies because, he argues, that now the interest in what is sustainability has become its own cultural philosophy, and sports clubs can therefore not disregard the sustainability of their work.

Also in 2020, an interview conducted by Community Soccer Report with Daniele Barbone, founder of Sport & Sustainability International, highlighted how among the clubs participating in the 2019-2020 season only 55% were committed to sustainable initiatives. A figure decidedly not in line with the demand of the modern world, which does not miss an opportunity to remind us how there is a

⁶⁶ Taken from the White Paper on Sport presented in Brussels on 11-07-2007 by the Commission of the European Communities

need for a common and decisive commitment on the part of all, especially those who have a clear responsibility towards society and the potential to have a positive impact.

"The world of football needs to rethink some paradigms. [...] We need a sustainable management of football, not only in Italy but at European level». These are the words of Alessandro Antonello, Inter's company manager during the interview with Repubblica at the end of March 2022. In 2016 the F.C. Internazionale had already expressed its position on the need for sustainable management during the United Nations event in New York, where it had been a guest to testify to the importance of the game of football in achieving the Sustainable Development Goals, a project that should have provided for the achievement of 17 objectives over the next 15 years.

Quoting the words of Giuseppe Marotta, CEO of F.C. Internazionale: *"Sustainability is an indispensable element to ensure that clubs have a long life"* and continues citing the Udinese case of the Pozzo family, *"they have shown to have a far-sighted vision and a great competence. It could be considered the flagship of football thanks to their virtuous management, the enhancement of their assets and the foresight with which they also deal in relations with the media, partners and stakeholders. We should do as they do: demonstrate the same ingenuity, creativity and competence to be competitive even without huge capital"*. Fundamental to achieve a lasting competitive advantage are certainly the skills that are difficult to imitate by competitors; difficult to imitate are the creativity and avant-garde of the components of each club, which, using the resources at their disposal, can increase their profits and the purchase of new market shares to the detriment of competitors. In other words, in order to develop a lasting competitive advantage, companies must take into account the distinctive skills of the company itself, which creates the potential for better performance⁶⁷. However, conversely from other sectors, the objective of eliminating its competitors is not achievable but there is a mutual interest in safeguarding the sporting capacities and economic solidity of competitors as the interest in the sports spectacle would be lost and a reduction in the economic returns linked to it would result.

⁶⁷ Fontana F.- Caroli M., Economics and Business Management, McGraw-Hill, 2012

In 2021, Aleksander Čeferin, UEFA President, announced the launch of a new strategy called "Strength through Unity": a practical strategy that aims to mobilise the European football ecosystem around a common approach through clearly defined objectives and key performance indicators to invest in the future prosperity of football. This strategy has policies, plans and KPIs described for 2030.



As pointed out several times, most of the industry's players seem to be making promises for a better future and seem to demonstrate a willingness to adopt radical change. But, looking at the facts, in addition to promises and good intentions, have the foundations for a more sustainable future been founded?

2.4 The low level of sustainable investments issue

As mentioned above, in Europe there is a growing attention to environmental and social issues but why can the same not be said for sustainable and responsible investments (or SRI, from the English Sustainable and Responsible Investments)?

Factors that may explain this misalignment include: (i) the lack of standardization with respect to definitions, analysis methodologies and evaluation of the impacts generated; (ii) widespread bias towards increased riskiness and return on sustainable investments; (iii) a further element that can influence this "delay" in the spread of sustainable finance is the degree of financial literacy of investors. In fact, it's important to underline is the absence of a section dedicated to sustainability on the corporate website of Italian football clubs. In fact, it can be noted that of the 20 teams present in Serie A, only 4 have a visible section dedicated to this topic and project on the company website, a fundamental element to inform the public not only of how the company has decided to operate in this regard, but also as a means of education of third parties.

The lack of standardization with respect to definitions, analysis methodologies and valuation is a factor not only of "fright" for the investor but also of inattention as it constitutes a difficulty in the valuation of the stock. This represents a great criticality in the market as there is the impossibility of identifying sustainability parameters, achieving their measurement and tracing their evolution over

time. This also causes a drop in tension in the management of a company that decreases engagement on those specific objectives. The harmonization of the process revolves around intangible values that, now, are invisible to the market that struggles to quantify and represent them in Excel sheets.

According to the Ambrosetti Innosystem Index⁶⁸ contained in the study "Super Smart Society: towards a more sustainable, resilient and human-centric future", Italy is fifth last for its capacity of innovating. The index examines the three-year period 2018-2020 and evaluates the overall innovation performance of 22 benchmark countries through the analysis of 14 parameters. Among the parameters of the study, we find investments in R&D; in Europe, Germany leads the ranking, whose investments are more than four times Italy's investments (25.4 billion euros). According to the results produced by the same study, comparing investments in R&D to GDP, Italy is below the EU27 average (2.2%) with 1.5% of GDP allocated to research.

The most significant data on the subject come from PISA (Programme for International Student Assessment)⁶⁹ which since 2012, also detects the financial literacy rate. According to the latest available data, published in 2017, only 6.5% of the Italian sample shows that they have in-depth knowledge in finance (level 5), compared to 19.8% who have a low rate of financial literacy (level 1 or lower). With an average score of 483 points, Italy ranks below the OECD average (489)⁷⁰. As early as 2005, the OECD stressed the importance of introducing financial education into education not only at national, but also at regional and local level. In addition, the OECD suggested developing free information services and specific websites to provide the public with relevant and accessible financial information.

The chart below is the result of personal processing of data featured in the Global Sustainable Investment Review, 2020. The reported data represent the global level of sustainable investments that in 2020 reached almost 35.5 billion dollars. Total investment has been growing in recent years, but as we can see the level of investment in Europe has been decreasing between 2018 and 2020. This decrease is the result of the factors that we have previously analyzed in this paragraph.

⁶⁸ https://www.innovationpost.it/wp-content/uploads/2022/05/report_innovazione_ambrosetti.pdf

⁶⁹ An international survey conducted in 80 countries around the world, including Italy, on 15-year-old students

⁷⁰ <https://www.oecd.org/pisa/pisa-2015-results-volume-iv-9789264270282-en.htm>

<i>Region</i>	<i>2016</i>	<i>2018</i>	<i>2020</i>
Europe	12,040	14,075	12,017
United States	8,723	11,995	17,081
Canada	1,086	1,699	2,423
Australasia	516	734	906
Japan	474	2,180	2,874
Total	22,839	30,683	35,301

Source: Own elaboration based on data from the Global Sustainable Investment Review, 2020⁷¹

The paradox is therefore that, in an increasingly financialized economy, many savers find themselves lacking the necessary skills to invest consciously. Focusing on financial education means providing the appropriate tools to protect savings and to make informed choices in the allocation of resources. In addition, there is a connection between widespread financial education and the transition to a model of sustainable and inclusive economic development, which takes into account future needs as well as current ones. In fact, an adequate level of financial literacy can direct capital flows towards sustainable projects, allowing to manage more effectively the financial risks deriving from climate change, resource consumption, environmental degradation, and social inequalities.

2.5 Conclusions

Sustainability is a market trend that is there to stay and that will not change with the passage of time. The management of this is entering the political, social, and economic agendas in the form of calls for *immediate* action to face the challenges of a future that is becoming our present. To ensure that these new sustainable strategies can have satisfactory effects, sustainability should be looked at not as an obstacle and a burden to be taken into account, but as an opportunity from which not only economic but also social and environmental benefits can be derived. Sustainability and financial performance are still seen today as two parallel channels when they represent two different ways of looking at the same phenomenon and contributing to a single purpose: that of creating a more efficient and respectful industry.

⁷¹ Investments are expressed in billions of dollars (USD Billions).

But are today's leaders ready for change? Are they aware of the situation you are experiencing? Is this a sector sufficiently educated to support the necessary progress of the sector? What are the factors that worry the ruling class? Are you already thinking about action points?

Chapter 3:

In the light of what was presented during this paper, it was decided to carry out qualitative research whose research design is aimed at developing concepts that help a deep understanding of the phenomenon. This is done in order to produce results in terms of knowledge, on organizational and management issues with respect to the context and possible behavioral responses of companies. This paper will hopefully represent a matter of reflection for those interested / employed in the sector under investigation, for those that will be methodological and strategic choices in the near future. The increase in critical awareness on the subject can have multiple repercussions on the subjects in training, on the trainers, on the training culture and on the management practices of this sector.

In the following paragraphs we will analyze the interviews conducted with some of the exponents of the sector under analysis. The underlying idea is to go and understand the current state of the football industry through the statements of the latter, and then make considerations on what could be improved. This will allow us to identify indicators or fields on which it would be appropriate to develop a strategy to improve the theme of "sustainability".

The analysis can be considered experimental for novelty of the theme in this sector that was also found during the selection of the reference sample. The first strategy aimed at the football ecosystem, "Strength through Unity", in fact, was established in 2022 and to date we do not yet have the balance sheet relating to the results of their first year of activity. In addition, there is still no adequate regulation and knowledge of the subject matter in the market.

3.1 Methodology

The research aims to help a deep understanding of the phenomenon, investigate the current state of the implementation of sustainability in the Italian football sector, identifying fields or indicators that could contribute to the improvement of the latter on the social, environmental, and economic front, and provide material for reflection for what will be methodological and strategic choices of the near future. This qualitative research is also aimed at answering what is the research question: *Could the football industry acquire value and improve the current situation through a concrete implementation of the sustainable strategy on the environmental, social, and economic front?*

The initial research question aimed at investigating the complexity of the football-sustainability binomial. This is considered necessary given the urgency of the topic, and useful both for information purposes and to increase the reader's awareness. As we have previously pointed out, this investigation arises as a further ground for reflection and brings with its characteristics of novelty, as the proposed phenomenon has never been investigated in this specific context and from the point of view of the actors involved. The generative question is framed in a phenomenological perspective as it aims to investigate the experiences lived, pay attention to the methodological implications and practices adopted up to the current date and the will to change attitude on the part of the actors involved.

For data collection it was decided to use a strictly anonymous questionnaire to preserve the sources and collect a dataset as truthful as possible. Having found no reference to a survey similar to the one we were preparing to do in the recent literature, we were forced to draw up the questionnaire in almost full autonomy, taking as an example questionnaire proposed to other sectors of the market and then adapting it to our field. The version finally adopted, although still perfectible, represents in our opinion the best compromise between the need for clarity towards the recipients, of whose degree of understanding of the terminology used we were not aware a priori, and the need to respect a minimum of rigor in the definitions that were the basis of some questions. This questionnaire was administered in order to extrapolate, from the words of the protagonists of our sample, useful indicators for our research analysis. In addition, to select the indicators most relevant to our purpose, we compared this dataset with the data present in the literature presented in the previous chapters.

The methodology chosen is based ontologically and epistemologically on the theoretical horizon of phenomenology and among the methods of data collection, it provides the administration of a questionnaire placed on open research questions, to increase the flexibility of the research itself. The criteria used for the stipulation of the questions of the research questionnaire were:

- **Flexibility:** to describe the context of the topic and to investigate opinions, attitudes, motivations, behaviors and / or expectations
- **Methodological rigor:** in the generation of the questionnaire the following principles were considered: need, relevance, usefulness, clarity, and adequacy.

In addition, through the proposed questionnaire we wanted to deepen three main aspects:

- Knowledge on the subject
- The current situation of the football industry
- The willingness of companies to take a step towards the adoption of sustainable models

The use of adequate instrumentation was essential to ensure a profitable management of the materials produced in the research process. For this reason, in this case the NVivo software was used, which allowed me a methodical systematization of the materials produced and an effective working base to activate a more adequate exploration and analysis, facilitating the visibility of each phase of the analytical process as well as the representation of the reports of the procedures used.

3.2 Sample Analysis

As mentioned in the previous chapter, football has quickly become one of the most popular sports, becoming a social and cultural vehicle as well as an important economic sector capable of generating financial resources and attracting countless businesses closely dependent on it.

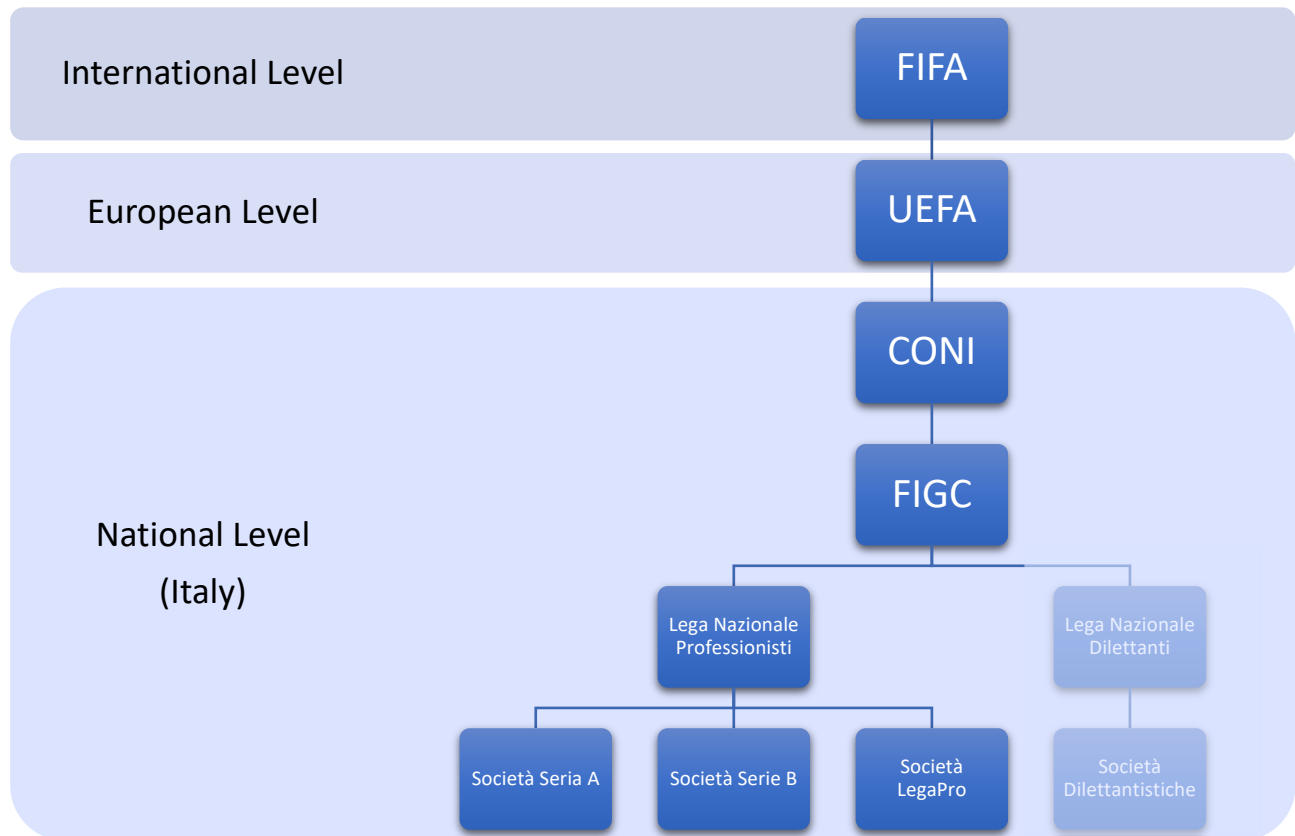
As the importance of the sector has grown, the need for specialists in the field has grown for the completeness of an industry, which has become the sport of football. To fully understand the analysis, an overview of the industry and its protagonists will follow.

The initial phase of the analysis will consist in the description of the responses collected with the analysis of the elements of the sample, explaining their position in the industry but not the role played, to preserve the source. This will be followed by the analysis that will summarize what were the responses of the sample and then compare them with the data and studies present in the literature presented in the previous chapters. The analysis will conclude with the stipulation of comments and conclusions related to the study conducted.

3.2.1 General overview of the industry protagonists

As anticipated, to proceed with the description of the selected sample and thus understand the classification in the sector of each element of the analysis sample, we will proceed with a general overview of the sector. The graph below describes the organization chart of the main organs that

make up the football sector, organizing them by level. The graph focuses on the branch of Italian industry and therefore on its protagonists. This will be followed by the analysis of the selected sample and then of the relative answers to the proposed questionnaire.



Source: Own processing on the present data relating to the football sector⁷²

The International Federation of Football Association, FIFA, is the international federation that governs the sports of football, futsal (better known as 5-a-side football) and beach soccer. The federation takes care of the organization of all intercontinental events of these sports. FIFA is responsible for the 6 different confederations, including UEFA, which is responsible for the organization and supervision of football activities in the various continents of the world.

The Union of European Football Associations, UEFA, is the administrative, organisational and control body of European football and is – in relation to the game of football – by far the most influential and wealthy federation in the world. UEFA organises nine official national and five club competitions.

⁷² Only professional football clubs were considered in the analysis, which is why amateur clubs are obscured in the proposed graph

The Italian National Olympic Committee, CONI, is the body of organization and control of the entire sports sector. It is also entrusted with the regulation of the latter. CONI is the liaison organization of all national sports federations. This role is held as a public body under the supervision of the Presidency of the Council of Ministers.

The Italian Football Federation, FIGC, is the body of organization and control of football in Italy, dealing with both 11-a-side football and 5-a-side football. It organizes the various professional football championships (from Serie A and Coppa Italia to the Lega Pro championship) and not (from Serie D to provincial championships). The ITALIAN Association of Referees (AIA) is also affiliated to the FIGC, which designates the referees and assistant referees for the competitions organized by the Federation.

The National Professional League, LNP, the associative body that managed the most important professional tournaments of Italian club football in the second post-war period until 2010. In 2010 it was divided into two distinct leagues, LNPA and LNPB, to best represent the Italian championships for each of the professional series. The LNPA and the LNPB are private associations not recognized of which the companies affiliated to the Italian Football Federation that participate in the Serie A and B, respectively, of the Italian football championship are part. Italian professional football registers 100 teams of which: 20 football clubs in Serie A, 20 in Serie B and 60 in Lega Pro.

As the importance of the sector has grown, the need for specialists in the field has grown for the completeness of an industry, which has become the sport of football. Going to dig into this world, in fact, we can see how over the years the interest of professional figures to specialize in this sector has developed. As we have previously mentioned, figures from the legislative, economic and university fields will also be considered in the sample.

To have a generalized vision of the protagonists of the industry, another window must also be introduced; those of stakeholders. A football club, as well as a company of any other sector of the economy, is at the center of a series of relationships with different social groups, with respect to which it initiates relations of exchange, information, representation⁷³. Its social and economic importance is, in fact, evidenced by the number of subjects, commonly called stakeholders, who in various ways are interested and interact constantly with it⁷⁴. If in classical business theory the distinction between

⁷³ S. SCIARELLI, *Elementi di economia e gestione delle imprese*, Cedam, 2008, pp. 86-93.

⁷⁴ A. PARISI, *The evolution of an entrepreneurial logic in sport between shareholder and stakeholders*, Rome, 2010.

the various stakeholders takes into account the involvement and direct or indirect influence they have on the company, in the case of football clubs it takes into account the different nature and intensity of the stakeholders: the sporting dimension mainly involves players, coaches and presidents, the economic dimension unites shareholders, financiers, prosecutors, producers, etc., the social dimension includes citizens, government bodies and public administration, while the communication dimension, interpreted according to the media profile, involves spectators, sponsors and the media.



Source: Own processing on the present data relating to the football sector

The peculiarity of the sporting enterprise is given by the presence of fans, for whom the emotional and passionate aspect is a priority, therefore, their interest will be very different from that of the subjects who invest money and resources in the company but as observed by Parisi, it is precisely in the resolution of the conflict between widespread interests (stakeholders) and primary interests (company) that the corporate value is realized⁷⁵.

⁷⁵ A. PARISI, The evolution of an entrepreneurial logic in sport between shareholder and stakeholders, Rome, 2010.

3.2.2 Description of the sample

In this research the primary data were collected through the session of interviews with the management class of the main institutions and companies of the Italian football industry. The sample was selected taking into account the analysis of the Italian market, in which there are 104 main cases of football companies: 4 federations and 100 professional teams. In addition, to broaden our field of analysis, in the sample were also considered experts in the field, such as professors of subjects in the sports field, specialists in the management of sporting events and lawyers specialized in the sports sector.



Source: Own processing based on data collected during interviews

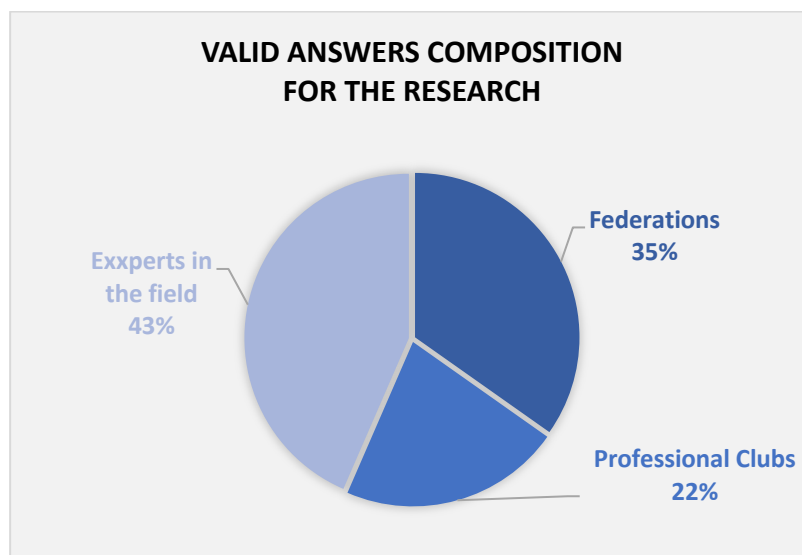
The sample of our analysis was contacted through LinkedIn and corporate emails and the interviews took place in the period of late April, mid-May 2022. Of the reference sample, 44 elements responded positively for participation in the analysis, of these 44 only 23 were successful, therefore considered valid for the research. Unsuccessful interviews were discarded from the research either because of the interviewee's renunciation during the session or because of insufficient relevant data. As the graph below shows, the class that managed to best contribute to the research was that of the "experts in the field" who, probably, having an academic preparation behind them, were more technically prepared for the type of questions proposed. Of the answers considered invalid for the research, 57.14% belong to the management class of Italian football clubs. This data begins to introduce what is one of the main findings of this research and that we will analyze later in the analysis: the problem of the lack of knowledge of the subject by the management class of the Italian football sector. What was found would seem consistent with the research conducted by Price Water House Coopers (PwC) in 2019 which had already underlined the lack of awareness among top management on the subject, making the latter one of the biggest problems when it comes to the implementation of a sustainable strategy, and therefore of innovation. As seen in the previous chapters, 55% of those interviewed by PwC,

argue that the companies do not know how to proceed in this regard, and this does not seem to make an exception when it comes to the Italian football sector.

<i>Category</i>	<i>Total answers not valid for the search</i>	<i>Invalid answers by category</i>	<i>%</i>
Industry experts	21	2	9,52%
Federations	21	7	33,33%
Professional Societies	21	12	57,14%

Source: Own processing based on data collected during interviews

The chart below shows the composition of the sample according to their position in the market. As described in the graph, most of the answers were provided by "Experts in the field": 10 answers equal to 43%. In particular, this category includes university professors of sports management and corporate sport responsibility, 2019 Sports Program Referent, sports event management specialists at RCS Sports Events and lawyers specialized in the Football sector. The responses from elements belonging to "Federations" are 8 and represent 35% of our sample. In this category we find members of the UEFA board, representatives of the FIGC both in the directive and accountability area. The lowest number of answers was provided by the representatives of "Professional Clubs", the total of the latter is 5, equal to 22% of the sample. This category sees the participation of the management class of 3 Serie A companies and 2 of LegaPro.



Source: Own processing based on data collected during interviews

3.3 Data Analysis

As we mentioned in the previous paragraphs, the analysis tends to deepen three main aspects; in the following paragraph we will analyze what is the current situation of the industry, the knowledge on the subject and the willingness of the top management to take a step forward towards the adoption of sustainable strategies. The following section deals with describing the ambiguity on the topic and on the internal roles present in the sector; in fact, in the sector it is not yet clear what should be done and what it means to "do sustainability".

3.3.1 Looking deeper in companies under analysis

We have previously mentioned UEFA's long-term project for Football 2030. The sustainable strategy introduced by the latter focuses on human rights and the environment, and aims to "*inspire, activate and accelerate collective action towards respect for human rights and respect for the environment in the context of European football until 2030*"⁷⁶. The name of the strategy presented, Strength for Unity, is aimed at passing on the idea of UEFA's inability to act alone; in fact, an overall mobility of the football ecosystem is needed in order to invest in the future prosperity of football and to achieve a real result.

This strategy is formulated around 11 policies, each supported by a 2030 ambition, objectives and KPIs. It will be implemented in five areas of action: UEFA's internal organisation, events, UEFA members, the football ecosystem, partners, and society, including groups such as sponsors, fans, and global institutions.

It would seem a big step forward for the football ecosystem but the question that arises is the following: are there really the basis for the implementation of a sustainable strategy and therefore a change of course? UEFA would seem not to have considered some factors: the football ecosystem, to date, in fact, would not be ready for the implementation of sustainable strategies that would require not only large amounts of money, but also a change in governance, internal organization and, above all, a sufficient knowledge of the issue by the ruling class. "*The truth is that the teams are not ready. It would take a professional figure who understands these dynamics, makes them his own and then begins to contaminate from the president down all those figures that rotate within the company and*

⁷⁶ <https://it.uefa.com/insideuefa/mediaservices/mediareleases/news/0270-13faa1908abd-a66316661bfa-1000--la-uefa-svela-una-strategia-di-sostenibilita-incentrata-su-diri/>

only after the introduction of a figure able to really understand something of the theme, start thinking about a strategy that conglomerates everything "⁷⁷.

The sample under analysis was offered a list of concepts to analyze their familiarity on the subject. The percentages described in the chart below represent the portion of the total that claims to feel sufficiently competent when it comes to the following areas.

<i>Corporate Social Responsibility (CSR)</i>	<i>Responsible conduct of enterprises (RBC)</i>	<i>Supply chain – due diligence</i>	<i>Non-financial reporting – Sustainability reporting</i>	<i>Sustainable Development Goals (SDGs)</i>	<i>Human rights for sustainability</i>
54,5%	36,3%	27,3%	36,3%	54,5%	63,6%

Source: Own processing based on data collected during interviews

Despite being a theme introduced at the beginning of the 2000s and that has been causing concern for about 12 years, as we can guess from the results presented, the football sector does not present a high level of confidence when it comes to issues related to the environment and more generally to sustainability.

Referring to the data collected during the interview phase, it turned out that many of the companies in which our respondents work, about 73% of the total, do not yet have their own and defined sustainable strategy because they declare that they do not have a clear corporate commitment as it would be "new" and "outside their area of expertise" concepts. It has been stated that in the meeting for the organization of sporting events, it is rare that the topic is discussed because, quoting the words of some respondents, "such meetings are not in line with the theme". But even in this case a question arises: How does sustainability not be in line with the organization of an event?

The truth is that many companies are still in the phase of implementing sustainable strategies. From the statements it emerges that within the industry managers are still trying to understand how to open up to this new organization that, for a football club, has a fundamental importance regarding the vision of how to operate in compliance with the CSR to contribute to sustainable development that also includes health and psycho-physical well-being.

⁷⁷ Statement by an industry representative during the interview session

The interview session also showed that LegaPro would seem to detach itself from this reality. The last league to be considered professional in Italy is the one with a greater aptitude for innovation and the constant improvement of its services. In fact, the latter has decided to adopt its own path towards sustainability, and based on social responsibility, seen for the first time as a "*model that can and will act as an element of competitiveness for the entire football system*"⁷⁸. LegaPro, in fact, has been involved in a series of activities in the social field during and after the pandemic. In addition, always in LegaPro, important partnerships have been signed such as the one with UNICEF, which sees its logo on the shirts of the clubs.

To ensure that the event is considered sustainable, there must be a series of virtuous behaviors also in terms of "sponsors", without which obtaining results would be difficult as the latter represent one of the main sources of income. Sustainable partnerships should be created in terms of sharing values and ethics that can bring not only benefit to companies in economic terms but also in terms of coherence and credibility in the market.

We have repeatedly stressed how a change of vision, from short term to long term, is necessary to achieve truly sustainable results. This foresight would be necessary, in the words of the interviewees, for a better quality of management and governance. Football clubs are not born with the expertise of real business activities but, being realities more and more similar to them, with the passing of the years the need to adapt to realities that have a history in this sector, that is, efficiency and sustainability, grows more and more. We therefore speak of profit realities, such as companies that are investing convincingly on this issue, but also non-profit, also considering the Bcorps⁷⁹.

The lack of foresight in the organization of football clubs is a serious problem to which even today the necessary attention is not paid. The latter, in fact, could be considered one of the main factors of the non-economic sustainability of the industry. Quoting the testimony of an element of the sample: "*The truth is that football clubs are not run like normal companies; there are no real medium/long-term programs and everything is evaluated according to the final result. Football clubs have almost always been passive and the percentage of bankruptcies of professional clubs is about 10% every year. Coaches and sports directors have contracts of a maximum of 2-3 years, if not a single season, therefore, their goal is to achieve a personal result even at the expense of economic sustainability. In other words, when you win, it does not matter to anyone if you have spent more than you should,*

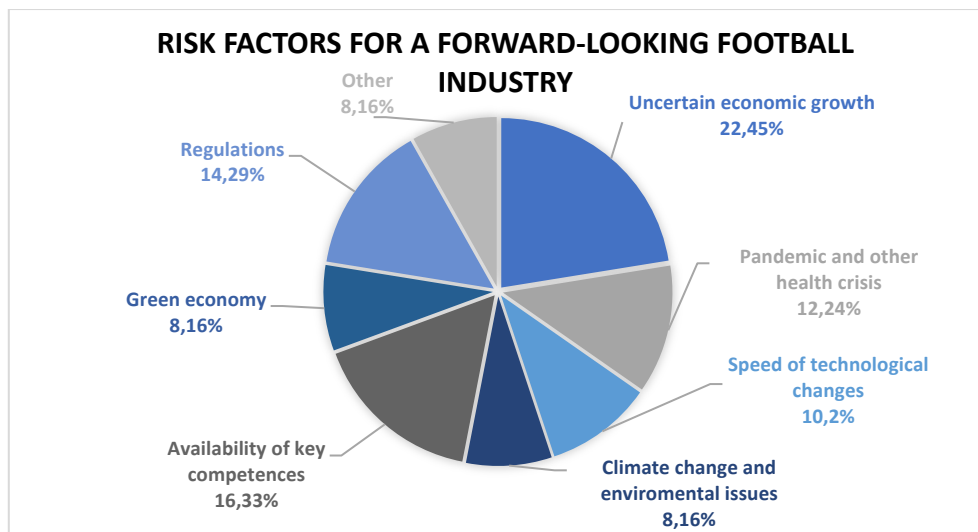
⁷⁸ <https://www.lega-pro.com/responsabilita-sociale/verso-la-sostenibilita/>

⁷⁹ The term BCorp identifies those companies that are committed to certain standards (performance, transparency, and accountability) and operate in such a way as to optimize their positive impact on their employees, the communities in which they operate and the environment.

when you lose, they send you away even if you have respected the economic parameters, or rather, even if you have created a surplus value to your company".

Taking up the words of Giuseppe Marotta already examined in the previous chapter, we see how foresight seems to be a fundamental factor for the acquisition of a competitive advantage. We have seen how the Udinese case of the Pozzo family has shown to have a far-sighted vision in relations with the media, partners and stakeholders and a great competence in enhancing its assets without huge capital.

However, when it comes to foresight, we must also consider the risks that the latter could bring to the management of the sector. On the assumption of a possible adoption of it, we asked our sample what are, according to their professional judgment, the factors that should explicitly be considered in strategic risk management activities.



Source: Own processing based on data collected during interviews

The factors that would seem to worry the sector the most are many. Among these we certainly find the uncertain economic growth of the sector. According to the ReportCalcio2021 of the FIGC in collaboration with AREL and PwC, the economic and financial profile of professional football has more than doubled the millions of overall loss going from a -412 million euros in the 2018-2019 season to -878 million euros in the 2019-2020 season. The result is certainly influenced by the negative effects of the Covid19 pandemic and the postponed closure of the sports season which has led to the lack of possibility of attributing the revenues and costs of the period July-August in the 2019-2020 financial statements. Starting from this year, sports risk management, and not only, had

to start increasing the attention on the "pandemic and other health crisis" factor, a totally unpredictable factor and almost impossible to amortize for a sector that survives for 23% from stadium revenues⁸⁰. The availability of key competences is another factor of concern in the sector. In fact, 80% of respondents say that the management class of the sector does not have the basic skills for proper economic management. Taking LegaPro as an example, even today the figure of the CFO is not standardized and the roles that he should cover are taken over by figures already present in the company such as the general secretary. Quoting the words of an exponent of the sector: *"In the football field there are no adequate managers: it is still seen as "the game of making presidents". We need managers who know how to be managers"*. Considering what is the majority opinion of the sample, the problem would lie in the *"unorthodox, poor and provincial"* management of the football sector where investment is still made with the heart and not with the adequate awareness for an economic purpose. In this regard, it should be emphasized that the introduction of internationality by foreign entrepreneurs represents a factor of change for the market as it pushes the old management to adapt to what is a mindset more appropriate to the business. These foreign managements, in fact, do not focus only on the ultimate result also on everything that revolves around it, such as merchandising and investment in infrastructure; the investment parallel to the game brings a different business approach and alternative sources of revenue. The focus on the result should be seen as a necessity for the creation of value, which derives from the involvement of stakeholders.

Quoting instead the words of another source of the research, whose thinking deviates from the predominant one, the problem would lie in something totally different: *"We should train managers and executives able to manage these companies that we could define as "particulate". To date there is a mutual lack: today the ruling class does not have the skills to govern the sector, but too technical people do not have the transport to adapt to what is the world of football and lack technical knowledge of sport. Even if you are considered a great manager with great knowledge in the economic field, it is not said that you are suitable for the sports world; if there is no knowledge of the 'dressing room', wrong rules or indications could be given which would come to destroy sport in the long run, thereby destroying the intrinsic balance of this sector"*. A main point is that a correct analysis has not been carried out on which drivers to use; in the sector we do not know the drivers that bring benefit both in terms of sustainability and in terms of business performance.

The speed of technological change is seen as a factor of opportunity by most elements of the sample, but risk management cannot fail to consider it in its operating scheme. Technological change has

⁸⁰ Deloitte analysis, 2020-2021

allowed the widening of revenue sources thanks to the greater engagement that this allows to produce. Digital transformation has also allowed the introduction of what is a new category of business and therefore also a new source of income for the sector; eSports. At present, eSports is worth about 1 billion dollars: in 2021; the sector has recorded a growth of 14.5% compared to the year before, with about 465 million users following the many competitions⁸¹. From what emerges from the interview session, with the introduction of the concept of metaverse, the football industry is already considering its entry into the market of NFT, non-fungible tokens⁸².

The concern that the "regulatory" factor arises is related to the fact that the world of football is considered a constantly evolving sector, difficult to lock in fixed parameters over time. The regulation of the football sector, in fact, is based on empirical fact; that is, on the fact that it happens and that it is then discussed later in order to modify, if necessary, the pre-existing regulation. It should be emphasized that even today there is no regulation to support the carrying out of sustainable activities.

From what emerges from the results, climate change and the green economy do not yet seem to raise concerns and even though the sample declares that it is a field on which the football sector should do more for evaluation purposes. The following table describes the percentage of responses in favor of the need for greater contribution from the sector in the following areas: traditional budgeting, impact on the community, transparency, and reduction of environmental impact.

<i>Traditional Budget</i>	<i>Impact on the community</i>	<i>Transparency</i>	<i>Reduction of environmental impact</i>
54,55%	45,45%	72,73%	83,33%

Source: Own processing based on data collected during interviews

From the statements collected, what would seem to be missing is a global vision of how the sector must move towards the path of a lower environmental impact and the creation of a value cycle in the pre, during and post race. At the same time, the football sector should no longer be devoid of environmental, social, and economic sustainability; however, it emerges from the sample that no one is concretely active on these aspects but is left as a territory to be explored as there is a need for high monetary resources in the short term that there is no intention to allocate.

⁸¹ Financecue, Report 2022

⁸² The NFT (acronym for non-fungible token) are certificates that attest to the authenticity, uniqueness, and ownership of a digital object (such as an image, video, song or even a Tweet).

Regarding environmental sustainability, quoting the words of an element of the analysis: "*We need to create value moments in the transport centers through CSR and respect for the environment. This does not mean passing on the concept that this is limited to withdrawing plastic bottles at the end of the game, for example, but passing on the need to create a real sharing*". The impediment to the achievement of this objective would seem to lie in the correlation between investments in efficiency and proprietary plant engineering. In Italy there are only 5 clubs that can boast a stadium of their own, 5% of professional clubs, while in the rest of Europe 19% of companies have their own stadium⁸³. These numbers confirm the backwardness of the system. Italian plants are obsolete and not modernized and not being owned, companies have no incentive to invest in them to increase their efficiency.

As we have analyzed previously, football plays a fundamental role in the community being the bearer of values and an instrument of aggregation between peoples. "*I believe that football has the commitment to pay more attention to environments that do not have the possibility of having a medium-good life*". The statements also show the need for standardization of the concept and the social report in order to align and create value. As seen above, the economic literature lacks a unique tool capable of quantifying the value produced by this type of activity, thus representing a problem not only for the football sector but for the entire economic sector. The representatives of the sector also consider it appropriate and necessary to correlate indicators to quantify the generated by the involvement of my stakeholders, internal and external.

When we asked our sample how they should plan to change long-term investments in environmental, social and governance sustainability (ESG) initiatives in the coming years, most responses focused on the topic of investing in communities. "*We should invest in communities, in young talents because only in this way is it possible to create a team capable of winning championships and bringing profit to the teams*". From what emerges, investing in wide-ranging sustainability is not yet a priority in the clubs' perspective, but the focus is on investing in the community because, in reality, it is the community that benefits exclusively to society. The design that comes out of it is that there are worlds that are still behind when it comes to sustainability, and that when they look to the future, they look at it with myopia, focusing exclusively on their own perspective. They do this by looking at the benefit they can derive from the community and not the benefit they can return.

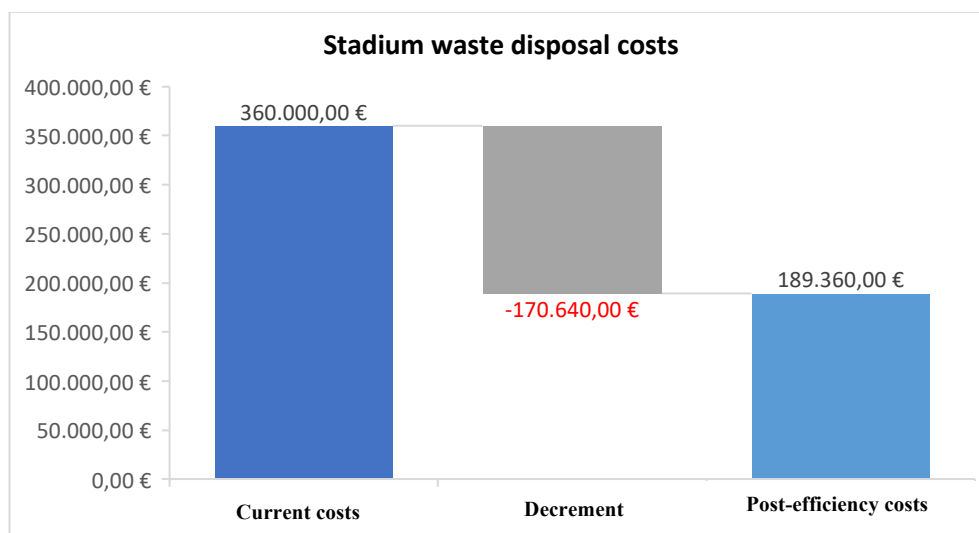
⁸³ La Gazzetta dello Sport, 2022

Although almost half of the elements of the selected sample do not believe that football should do more in terms of traditional budget, during the interview phase many highlights came to light on the subject. Quoting one of the statements on the subject: *"Presidents to date have moved like patrons; every year they budgeted money from personal savings and / or other owned or subordinate companies, to make the coffers of football clubs in line with the required parameters by creating a fictitious budget. This model can be romantically fascinating, but it is certainly not of great impact especially talking about final economic and managerial efficiency"*. It is said that football clubs must do business in and with football, but football clubs do not always manage to do business. In fact, if every year a company goes to a loss we surely cannot talk about "business". In the sector there is a lack of cultural sensitivity to understand that now even being sports clubs, it would be necessary to start a transition process that leads them to be real companies able to be at the end of the year in balance or in profit, leading to in the field all those social, environmental, and financial actions.

The issue of transparency is also partly linked to what we have just described. The amendments to the Financial Fair Play of 2017 provide for the principle of transparency, a principle still not respected with respect to what were the expectations. A higher level of alloying constitutes a greater need for capital. Over the years this need for large sums of money has increased dramatically leading companies to mask their work, in other words, practicing the opposite policy to that of Financial Fair Play. With the new reform of Financial Fair Play, checks will also be provided on the origin of revenues to pay more attention to what are inflated or fictitious sponsorships from companies linked to the ownership of the club, a recurring problem still to this day. Another recurring problem, which always falls within what are the "shortcuts" taken by the companies with the hope of restoring the balance sheets; this is represented by the fictitious capital gains created on the sale of players, an aspect still not taken into account by the market for a possible regulation for the evaluation of players. What emerges from the interviews underlines what is the lack of objective of the Fair Play Finanziario: *"When Financial Fair Play was born it was born as a project that started from a wrong concept"* The Financial Fair Play, in fact, was born with the aim of not creating debts in the market. *"It's as if I want to expand a business without investing. Instead, we should try to understand how to increase the business and then create sustainability in the market"*.

However, with the introduction of the new regulation we have not yet arrived at the introduction of regulations to limit incorrect attitudes outside the financial ones, for example, CO₂ emissions, waste production, food waste, educational plans, inclusion, and anti-racism plans, etc. When submitted this question to the analysis sample, it was found that all these listed factors could be indicators on which

to leverage in order to achieve a corporate improvement in the economic, environmental, social and reputational fields but, even in this case, there are factors that prevent their introduction. *"The introduction of parameters outside the financial sphere could certainly help both sustainability in the environmental and in the economic sphere. But there are factors to consider: the unorthodox management has allowed more than once the carrying out of interventions and adjustments in the regulations that have been in support of companies that have had difficulties in the championship. The driver of football clubs is not to contribute to what is the common goal but the sporting result and the remuneration following it"*⁸⁴. But let's analyze a practical example of what the introduction of a regulation of indicators of a different nature from the financial one would represent. Let's take as an example the amount of waste produced on a race day that is equivalent on average to about 4 tons of which 32% (1280kg), approximately, is made up of plastic. The average fee for the disposal of a quintal of undifferentiated waste is 500 euros per quintal; this means that a football club on average will spend about 20,000 euros for the disposal of waste during the day of the race, which projected over the entire season rises to 360,000 euros. The average fee for the disposal of a quintal of properly differentiated waste is 263euros per quintal. The introduction of a regulation of disciplinary sanctions in the event of evasion would not only allow to almost halve the cost for football clubs but would also significantly reduce the impact they have on the environment. Proper behaviour on the part of clubs would offer an example and an incentive for fans to do the same.



Source: Own processing on the basis of the average data in the cost items of company financial statements

⁸⁴ Statement by an industry representative during the interview session

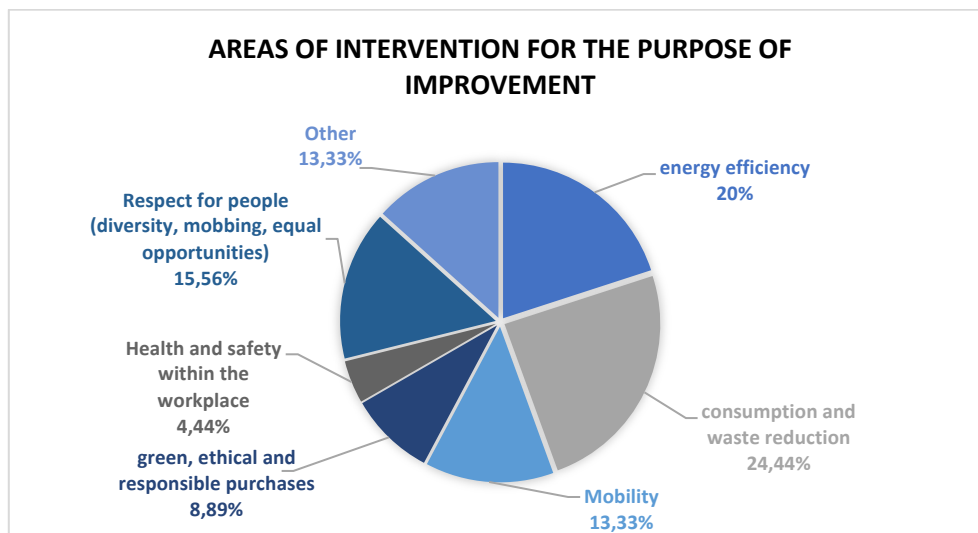
As we can see, this variable can be defined as predictive, that is, a variable that can be used to make predictions about future events, behaviors, and results. The result of the study can help event management in the design, planning and management of an adequate sustainable logistics process in the future. Therefore, the sustainable success of sports matches will only be about better implementation and proper resource planning to reduce waste and improve transport accessibility in the sporting event.

Football clubs are not managed like normal companies, there are no real medium/long-term programs, and everything is evaluated according to the result. It is also important to underline the lack of interest from the public; the "green" investment is something that the company would do to align itself with the market but not because its "audience", when it comes to fans, is interested. Among the stakeholders, however, we also find investors and sponsors, who have repeatedly expressed their interest in these types of policies.

As we have repeatedly illustrated, in the Italian sector there is still a strong attraction to the sports product, which although there must be, a correct balance should be found between the sports part and accounting management. Adriano Galliani⁸⁵ argued, making a metaphor, that the football club could be described as follows: the structure of the machine and the chassis represent the team, and the wheels are representative of the financial part; a machine cannot start without the wheels. Generally in the company you have a value, you evaluate it, you manage it and a bad management or evaluation of the latter could lead to bankruptcy. In sports, particularly in the one under analysis, the value cycle is not the same. The value is representative of the passion of those who are the stakeholders of the company. We have previously mentioned how in football "you invest with the heart and not with the appropriate awareness" this is because the investment is in part dictated by the will of the fans, who represent a large and indispensable fraction of the stakeholders. International football, especially English football, is based on an opposite philosophy; where the sound management of the company prevails over what is the will "of the square". An investment in the communication of value and customer satisfaction, together with a program that focuses on the education of the fan on values and the correct management of the company could lead to a vision that is partly different and that could allow to conduct a decision-making cycle aimed not only at the desire of the stakeholders but also to market needs.

⁸⁵ Adriano Galliani is an Italian sports executive, entrepreneur and politician, CEO of Monza, and vice president of the National Professional League

In conclusion, the Italian football system lacks a solid foundation for proper financial management as it finds itself in a situation of instability when it comes to looking to the future. In this regard, a further question was proposed to our analysis sample. The purpose of the next question was to identify gaps, and therefore points of improvement, from which to start to restore a balance for a sound management of the sector. The graph below describes the consensus rate of the sample on potential areas of intervention for improvement.



Source: Own processing based on data collected during interviews

"In our idea of the future, stadiums and plant engineering in general will have to be efficient and environmentally sustainable." 20% of respondents agree that efficiency is one of the areas of intervention for a more sustainable future. According to the UISP Manual for Planning and Organizing Sustainable Events and supported in various studies, efficiency brings a number of benefits, including: it benefits local communities, decreases environmental impact, reduces costs, indirectly educates the public to a more sustainable lifestyle.

The reduction of consumption and waste seems to be the point that finds the most consensus among the sample. In 2018, the European Union conducted a study on the estimate of waste production per spectator on the day of a match. This result is equivalent to about one kilogram per spectator, which considered for an entire stadium counts an average of 4.2 tons. In the same year, the European Union's Life Trackle project estimated that 15% of the impact is generated by food and beverage, 35% by energy and 40% by the mobility of those who go to the stadium. The latter value also intensifies when travel takes place by plane; the aviation industry is credited with 5% of global warming.

Mobility turns out to be a further area of improvement for societies. In this regard, the actors of an event should also be informed of what is the environmental impact generated by their mobility decisions. In fact, if we consider the same sample used for the previous calculation, on average for 4,200 participants who travel 30 km to go to the event, 31,500 kgCO₂ will be issued⁸⁶. *"We should convince the fans and the same sportsmen and managers to go in a group with only one vehicle"* even a small trick like this highlighted in one of the interviews would decrease carbon emissions by 1/4, if considered the same sample that uses only one vehicle for 4 elements. A decrease in the means used to reach the infrastructure of the event would also have an impact on what is the social and economic aspect of society. During the events, especially in the large urban centers, there are still long traffic jams at the beginning and at the end of the main matches that sees the fans forced to move well in advance to reach the event and leave the stadium before the end of the latter to avoid the traffic that is generated near this. What has been described so far not only discourages the fan to participate in the events, which represents a direct impact on what are the stadium revenues for the company but has an impact on the feeling that binds the fan to that reality, decreasing engagement.

There are two other items that deserve attention. The first concerns the "respect for people", a value that should be intrinsic to football, as in any sport practiced in a team or individually. In recent years, unfortunately, with the increasingly rapid transformation of sports clubs into real businesses, the real values of sport have been lost. *"We should pay more attention to the educational aspect of members, managers and sportsmen with regard to those values that many cite but to which almost no one pays more attention"* declares one of the exponents of the sector. *"Another important value is to stay alive and maintain relationships, giving people an opportunity to participate in the values of sports clubs in respect of roles, people, functions, the value of sharing in respect, in fact, of ethics"* declares another element of the analysis sample. The driver that pushes young people today to approach this sport would seem to be the level of salaries offered by the sector and no longer the values of respect and humility that previously characterized it. In this regard, the introduction of a salary cap is supported by unanimity. The introduction of a salary cap, argues the analysis sample, would lead to a rebalancing of the sector and to more sustainable and more manageable amounts of money. In addition, as claimed by the champion, there is a need to educate the environment, and therefore the fans, also with regard to merchandising. *"A foreign fan would never buy a non-original shirt"*, explains one of the interviewees, *"which is very different from Italian culture,"* he continues. A correct general culture of both the fans, the street vendors and the management class could benefit the company both in economic terms and in terms of sporting value.

⁸⁶ Considering the average of the data obtained from the questionnaire administered to a sample of 100 people

To ensure that a correct culture is transmitted to the ultimate customer, and therefore to the fan, it is necessary that there is a strong culture also within the federations, leagues, and companies themselves. From what has been stated, the family management of these entities does not only involve a problem in terms of skills and management skills, but also in terms of influences and serenity of internal environment: *"In general, there is too much family management, little business and too much political impact within the football industry and this has always created top positions that had strong influences and that did not allow a serene environment"*. In addition, the football sector is still considered a strongly "masculine" environment, a condition that affects the top positions of the sector. From what has emerged, there is an urgent need for a better quality of management and governance in the long term.

The other aspect on which it is important to dwell, and which relates to what has been said above, lies under the heading "other" and it is, in fact, the improvement of governance. From the statements collected, it would seem to be common to the majority the need for the creation of a management model for the development of Italian companies that is consistent with the times we live and able to compete with the rest of the European system. In addition, the orientation of the mission and vision in the long term is considered fundamental in order to a correct planning, to date scarce, of what are the strategies and objectives of the company and the sector. Given the mass of labor and capital that moves the sector it is not possible to do so without considering the carbon footprint caused. Having a schedule of activities and emissions can help monitor them and develop alternative projects to offset those emissions that are inevitable for the organization of the event. Planning, according to the statements of the analysis sample, is also fundamental when it comes to creating an important nursery in order to create value through evolution; *"when you have a goal, sometimes you forget to make it sustainable with regard to the impact that the latter can have on the territory, on the teams, on the guys etc. it is important to plan everything to be ready for any eventuality and do things correctly"*.

Economic sustainability should be achieved by considering the correlations between traditional budget and impact balance. This would also entail the introduction of the salary cap in line not only with those of one's own league but also with those of the rest of Europe. *"The introduction of the salary cap is related to a series of items that then make the salary sustainable but until it becomes systemic with adequate regulation by the league, it will never arrive "to the net" for what is the value"*. There is a need for a technical reform in the sector with regard to reparametrize the tags, give the indices of materiality with respect to work and correlate the salary cap, given not only by the economic capacity of the company but also by an alignment with the others. The purpose of what has

been described would be an improvement of the accounts and base "the game" on the ability to create the squad on the skill of the managers, as it was previously.

Conclusions:

To express a judgment on corporate sustainability within the football system, what was considered of fundamental importance was to first trace its main characteristics, such as its birth as a phenomenon of social aggregation, the sporting result as a pre-eminent purpose and its subsequent transformation into business. The topics dealt with along the paper were different and composed a well-descriptive design of the development and complications related to the work in the sustainable field of the companies belonging to the football planet.

To summarize what has been analyzed above we can say that the exponential expansion that has characterized the football sector has highlighted not only its main social vocation but also its economic nature. As we have seen, in fact, sports activities are marketed on a plurality of markets, generating economic activities and the escalation of attention attributable to the world of football has allowed football clubs to be transformed into companies, composed of more and more subsystems, characterized by numerous stakeholders. As a result of this increase in economic interests, the world of football has begun to represent an important figure of "strategic partner" in the world of both national and international entrepreneurship, which has accepted the attractiveness fueled by football practice and have agreed on increasingly numerous, huge collaborations and diversified in their form. Over the years, this dynamic has also begun to concern the so-called "greenwashing" operations carried out geographical territories sensitive to media attention, consisting of monetary, infrastructural, and training support to certain populations, and capable of ensuring a positive image return both for multinationals and for the football clubs involved. In other words, although there has been this transformation, the sector does not seem to behave in compliance with market demands. The widespread general conviction that attributes to sport connotations far superior to the mere result has been confirmed by the episodes that have occurred over the last decades and recalled in the course of this work. To be considered real companies, the industry should improve the aspects of organization and planning of activities, to date almost absent, transform from short-term oriented to long-term oriented companies, and finally they should conduct a healthy activity, economic or not.

The main findings of the qualitative analysis are described in the following table.

57.14%	Invalid answers belonging to the management class of Italian football clubs. This value starts introducing what is one of the main findings of the research: the football industry lacks core and basic competencies for the correct management of the sector.
< 60%	The sample under analysis was offered a list of concepts to analyze their familiarity on the subject. The football sector does not present a high level of confidence (<60%) when it comes to issues related to the environment and more generally to sustainability.
Uncertain Economic Growth and Availability of key competences	When it comes to foresight, the factors that would seem to worry the sector the most are many. The economic and financial profile of professional football has more than doubled the millions of overall losses going from the 2018-2019 to the 2019-2020 season. These two can be considered correlated; from what declared, part of this loss is due to the bad management of the companies.
83,33%	Elements that agree that the football sector should do more for evaluation purposes. however, it emerges from the sample that no one is concretely active on these aspects but is left as a territory to be explored as there is a need for high monetary resources in the short term that there is no intention to allocate.
-47,4%	Approximate and potential rate of change of costs of waste if some regulations were introduced to limit incorrect attitudes outside the financial ones.
Energy efficiency and consumption and waste reduction	When speaking about potential areas of intervention for improvement, 20% of respondents agree that efficiency is one of the areas of intervention for a more sustainable future. The reduction of consumption and waste seems to be the point that finds the most consensus among the sample (24,44%).

This research framed the idea of the added value of implementing sustainability in a broad context, suited to football clubs and the level at which they operate across the economies and societies in which they find themselves. Football is a big deal and is, in financial terms, a clear net contributor to the national and world economy. This research therefore reinforces the results of the previous literature according to which the sports market does not hold the suitable models to evaluate the added value of sustainability but, even possessing them, to date it would not be unable to manage a movement as large as the one under analysis due to the lack of knowledge and motivation on the subject. A further problem is represented by the conception of sustainability; as we have analyzed, many exponents consider this an element distinct from that of financial performance. It must be taken into account, however, that the sample of this study, although robust, is drawn only from the "high" end of Italian football teams. With a greater contribution from industry leaders, it would be interesting to replicate this study to understand how generalizable these results are.

There is no parallel strategy for sustainability, but there is only one; this means believing united in a strategy. Sustainability is never attributable to vertically measurable phenomena, but it is a circular theme with a systemic value. From this point of view, companies should move in a logic of continuous partnership so as to arrive at the complete integration of the phenomenon. A complete integration of the phenomenon implies the integration of this concept of risk, considering and evaluating the impact that this can generally have outside and inside the company and how this has generated an impact on intangible assets, for example reputation. In other words, a company's risk management model should consider a dual materiality; the effect that the risk generates both in terms of internal events but also in terms of feedback events on sustainability phenomena that consequently mirror what are the characteristics that the company has been able to generate.

It is necessary to create sustainable business models in the long term to be aligned with the market and act with consistency. To create a sustainable business model, it is necessary to share all capital in order to produce the expected result. As we have previously argued, companies should move in a logic of continuous partnership. On this basis it can be said that the "Bayern Model" could represent an example to follow. The Bayern model, in fact, is based on the greater involvement of sponsors in the role of future members, this involves not only greater visibility for the sponsor but also the beginning of a partnership. Therefore, becoming a partner implies participating in the management process. But what would be the purpose for which a company should act in such a way? The realization of a partnership would increase the involvement of the sponsor by making it more "careful" to internal decisions, bringing efficiency of soft skills, values, and costs, decreasing the pressure of these on the current presidents. To do this, however, there is a need for a radical change not only of governance but also of the culture on the part of the presidents and fans, to move from a club of absolute ownership to "brand of the territory".

What seems to characterize the football sector in Italy, however, is the short-sighted vision of the future, recognizing the need for change but investing only to benefit directly and in the short term. The image he gives is that of a sector totally unaware of both the basic concepts of the phenomenon and the potential of the latter. Priorities need to be set; football clubs do not put enough effort into 'sustainable' activities and, moreover, the activities carried out are not part of a planning. In fact, these initiatives arise from subjective interests that do not create constant functions over time and independent of the interested parties but are dependent on the interest of the presidents of the moment. It is necessary to start activities that have a social value, integration, inclusion, and a relationship with

the community of reference. It is also necessary to establish a structure that allows the above points to be used, sustainability, accessibility, elimination of violence in and around the stadiums, etc.

In conclusion, we can say, following our analysis, that sustainability and financial performance are one the direct consequence of the other. We have seen how the purpose is directly linked to profits, but, similarly, sustainability also impacts corporate profitability. The concept of "sustainable success" can be considered the novelty of the Corporate Governance Code, approved in 2020 and entered into force the following year. Sustainable success introduces the concept of coding and long-term value creation. Two key elements of success are represented by the combination and alignment between sustainability parameters and the economic-financial KPIs of the company, and by the change of vision from short term to long term, as it is considered fundamental for the introduction to sustainability.

“Sustainability”, a new player in the field

Abstract: The football industry is the most popular and well-known industry since the past few decades when speaking about sports. The most significant sports events will draw billion of the spectators to attend it. However, when speaking about sustainability, this sector seems not to be aligned to the market demand. It is difficult to maintain the sustainability of events without proper event management which may bring consequences to the economics, society, and the environments. This paper discusses the first experiences, the literature, and the results of a qualitative research whose research design is aimed at developing concepts and installing the principles that help a deep understanding of the phenomenon of sustainability in Italian professional football. This paper aims at producing results in terms of knowledge on organizational and management issues with respect to the context and giving examples on possible behavioral responses of companies. The data was obtained from the respondents of the population sample of the football exponents through anonymous questionnaires to preserve the sources and collect a dataset as truthful as possible. The result confirmed the low level of knowledge and implementation of sustainability in the sector, underlining, however, a strong awareness of necessary for the latter but not the willingness to act in the short term.

1. Introduction:

Sport, and more precisely football, has always represented for the human being a source of vent and of passion. But why did football go from being a sport practiced by children in English schools to one of the biggest businesses in the world? The answers to this question can be many but certainly one of the main reasons is given by the indomitable passion and loyalty that the fans pour on the team. This love allowed the expansion of the game until it became an "entertainment show" all over the world. The exponential increase in the capital processed, and the visibility that sport offers had allowed companies to move towards a long economic and financial evolution. Football had penetrated the population and acquired its own increasing economic importance over time. To date, according to the "Big Count" study carried out by FIFA, there are about 265 million people practicing football of which 38 million are members of various companies worldwide. Including all the people directly involved in the football world we reach 270 million, which equals to 4% of the world population, leading football to be one of the largest businesses in the world, which generates 700 billion dollars; one percent of global GDP. Referring to the study by Euromerica Sport Marketing agency, football is one of the transporting sectors of the Italian economy contributing for 3.6% of the national GDP. As time passed the need for new business models and alternative sources of financing became increasingly urgent to thrive in the industry. In recent years, the football sector has been called upon to respond to another urgency, that of implementing sustainability in its business models and consequently in their work. Sustainability has become one of the most discussed issues by public opinion and, in a certain sense, most feared by societies. The large initial investment, the radical change in operational and strategic terms and the change of vision from short term to long term, seem to be the reasons why even today there has not been a change in the football sector, which is not aligned with what are the changes, requirements and demands of the world market.

2. Overview of the current situation in the market:

2.1 Environmental Sustainability:

As we mentioned, the world of football seems not to be aligned to what is the market demand when speaking about sustainability. In fact, the first thing that come out is that professional sports have been promoting their ecological credentials for years, but they never actually “walk the talk”. Sports are responsible for significant carbon footprints through the construction of stadiums, the use of energy for the activation and illumination of the latter, the journeys of players and spectators, etc. Coalter (2007) and Sugden (2006) emphasize the importance of planning sports projects and events to achieve positive results. The correct organization of a green event would allow to: continuously improve sustainability performance, reduce costs thanks to a rational use of energy and products, reduce the ecological and carbon footprint of the event, reduce the risks associated with event handling, accredit your commitment internationally, increase engage, meet, and meet participants' expectations, increase appeal to potential investors and sponsors and improve the company's image and brand.

In 2021, Sky Sports UK signed the UN Protocol for Sport, a global movement that mobilizes one billion people in the fight against climate change. Tottenham-Chelsea was the first zero-emission match. Carbon dioxide emissions from the Premier League match have been reduced and partly offset by natural projects. Unfortunately, this event was an isolated case and served more as a message than as the beginning of a sustainable strategy. The impact of sport on climate change has been further exacerbated by recent sponsorship agreements with unsustainable fossil fuel companies which feel their reputation strongly under attack and, using the typical football jargon, try in every way to get out of this “penalty area” where they feel holed up by doing what is called "sport washing". Toby Miller argues that such activities are equivalent, not only to purpose washing, but also to green washing. What we have just described isn't an isolated case. For example, the 2006 World Cup and the 2010 World Cup were two well-known cases of greenwashing accusation. In the first case the event was supposed to feature a "Green Goal", which claimed to make the event "climate neutral". The data excluded international travel due to these events, representing a crucial difference between environmental audits. In the second case, the lack of speedy adaptation of the infrastructure, 850,000 tons of carbon have been spent, of which 65% through construction and flights; it has been the largest carbon footprint of any commercial event in world history.

2.2 Social Sustainability:

Beside the environmental aspect, football is well known also for its contribution in the social sphere. Regardless of the historical moment in which we find ourselves, we can say that people enjoy participating in sporting events to celebrate national successes and "historical" triumphs. For several decades the contribution of sports tournaments and special events has been recognized in the development and growth of the national identity feelings, social cohesion, and community pride. This also applies to small sports projects that are increasingly being implemented as an inter-community development strategy, particularly in developing countries and/or in culturally or ethnically divided societies. However, Kidd (2008) and Coalter (2010) remind us that sport cannot be considered a priori a "good" thing. In fact, sport and events spaces can be places of

conflict and contestation between groups; antisocial behaviors in sports and events can lead to a resurgence and "recycling" of historical and prejudicial stereotypes, which are likely to worsen intergroup relationships. Therefore, many studies have focused on the common good in which sport helps to create through health, ethics, and fair play. But it must be emphasized that sport becomes part of the common good when its values are enjoyed without discrimination, increasing their accessibility for all citizens. Real values of sport have been lost with the transformation of sports clubs into real businesses. The driver that pushes young people today to approach this sport would seem to be the level of salaries offered by the sector and no longer the values of respect and humility that previously characterized it. In addition, the football sector is still considered a strongly "masculine" environment, a condition that affects the top positions of the sector. A correct general culture of both the fans, the street vendors and the management class could benefit the company both in economic terms and in terms of sporting value.

2.3 Economic Sustainability:

Today, the exponential growth of the sports phenomenon has generated an economic and organizational development now defined as a real "industry" characterized by an impressive direct turnover, which attracts the interests of new economic and competitive forces, including mass media managers, manufacturers of sports articles and equipment, event organizers and providers of various and very differentiated services.

The Union of European Football Associations (UEFA) introduced the Club Licensing system in 2003 and in 2009 UEFA approved the introduction regulations for transparency requirements and financial conditions for football clubs participating in European competitions, called Financial Fair Play (FFP), which subsequently in 2018 underwent a reform that changed the name to Financial Fair Play 2.0. The Financial Fair Play is designed and subsequently introduced following the data recorded in 2008, which showed that 47% of European clubs report losses, in some cases heavily significant, for a total amount of 1.7 billion euros. The introduction of these new economic-financial obligations aimed to achieve the following results: (i) absence of overdue sports debts for admissive purposes, (ii) drastic reduction of litigation and (iii) improvement of the international credibility. But, looking at the company's balance sheets we can observe that these benefits are not enough to improve a disastrous situation like the one of Italian companies. The question that arises is the following: if with the Financial Fair Play the situation should have improved, why does the Serie A companies record more than 3 billion euros in debt?

Club	30/06/21	30/06/20	30/06/19
<i>Juventus</i>	-389.218.723 €	-385.139.126€	-463.474.167€
<i>Inter</i>	-297.307.186€	-244.431.684€	-257.844.295€
<i>Roma</i>	-271.263.000€	-289.757.000€	-220.627.000€
<i>Milan</i>	-101.630.000€	-103.892.000€	-83.016.000€
<i>Lazio</i>	-24.039.971€	-49.216.252€	-54.904.778€

Source: Own elaboration on the data of the financial statements of Serie A sports clubs

According to the New York Times, UEFA is working on some new parameters to assess the economic sustainability of the clubs, which would replace the Financial Fair Play constituting what will be called the Financial Sustainability Regulations. The change will be on some parameters to evaluate the economic solidity of a club: we will move on to an ad hoc calculation for each club, there will be a potential change in the sustainability and indebtedness index which will be evaluated during the season but at the time of registration to the championship. New features are also planned for sanctions: for the first time, relegation to a lower UEFA competition will be introduced for those who do not respect the rules. Additionally, the new regulations will also provide checks on the origin of revenues: inflated or fictitious sponsorships from companies linked to the ownership of the club will be evaluated with great attention. All this would also be aimed at reducing what are the capital gains created in the football-market phase.

3. Literature review:

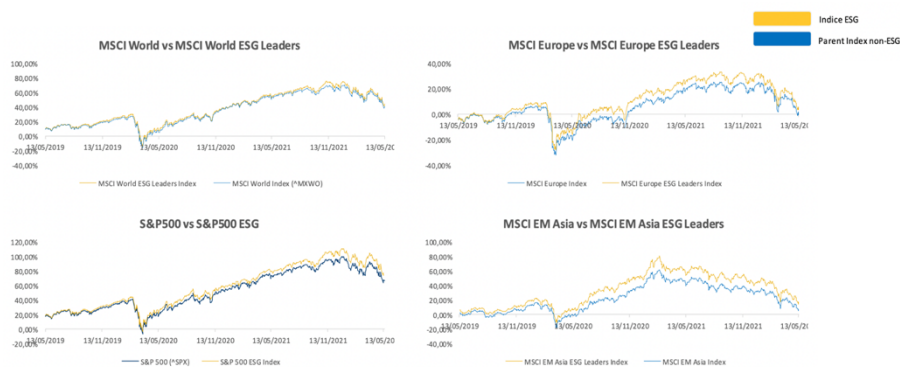
In recent years, a growing demand for sustainable products and services has been perceived. This is due to the abuse of resources, renewable and not, by the human being. But what is sustainability? Sustainability is described as a condition, therefore, based on the concept of responsible use of natural, social, and economic resources and responsibility towards all the people who live on our planet. This definition was proposed in the mid-80s, during the commission chaired by Gro Brundtland, then Norwegian minister, which culminated in the historical report "Our Common Future" in 1987. The letter from Larry Fink, CEO and president of BlackRock, is considered the turning point for the issue of corporate sustainability. In 2019 Larry Fink wrote a letter to CEOs expressing the opinion that companies should do more than make profits. Fink said that to thrive over time, every business must not only provide financial performance, but also show how it makes a positive contribution to society. It cannot be said that there is an unequivocal consensus as to what the purpose actually is. In fact, some sectors see an implicit threat in the growing importance attributed to these issues to interests considered priority (i.e., economic goals). There is a strong ambivalence: even if these dangers of progressive environmental degradation are recognized by all citizens, the level of priority given to the latter has been so low until recent years as to make tolerable the absence of any type of effective public intervention in this area. Fink makes a particularly important point here by reminding companies that the corporate purpose is not a simple slogan or a marketing campaign but is the fundamental *raison d'être* of a company. When a company truly understands and expresses its goals, it operates with the goal and strategic discipline that drive long-term profitability; in other words, moving to a long-term oriented strategy.

3.1 Why is sustainability important?

Currently, the sustainable world market has grown to 290 billion. When considering indicators that map the dimensions of the transaction towards sustainability, Italy is the leader of the green economy according to an analysis conducted by "La Repubblica" for the "Economy & Finance" section. Italy, in fact, is third in the EU-28 for atmospheric emissions of CO₂ equivalent per unit of product, it ranks second both for energy and material inputs per unit and for areas intended for biological agriculture. During 2019 in Italy, one in five companies (21.5%) planned to make investments in green technologies and 56% of Italian companies have

already adopted sustainable behaviors. Investments in circular economy processes have reached 13%, while the value added per employee in highly sustainable companies is 10% higher. The environmental protection has become a priority for Italian consumers and today the Italian market is worth 6.5 billion euros. Although the data represented would seem to demonstrate a change in business conduct, it should be emphasized that on Italian soil only 18% of companies are highly sustainable, against 52% still unsustainable.

But why should a company embrace sustainability? First, for the constant increase in demand for sustainable products and services by consumers: 94% of Italians are convinced that adopting sustainable behaviors is "the right thing to do". During the pandemic the focus on the theme has grown: in fact, less than 10% of respondents do not recognize a small premium price for green products. Sustainability has become an important purchasing criterion: more than 36% of consumers tend to choose products that produce low impact on the ecosystem and 63% say they are inclined to change their habits against the 29% recorded in 2019. This scenario is also confirmed by the "No Planet B" project, whose 70% of respondents say they would be willing not to do business with companies that are not sustainable. Second, talent is necessary to satisfy the long-term survival of any company. Several studies point out that 90% of young people are sensitive to sustainability issues and that 75% of millennials would take a salary cut to work in a socially responsible company. If before the evaluation of young talents was carried out only based on the financial solidity of the company, today in their evaluation criteria there is also corporate sustainability. Last, companies should consider what concerns risk management: the negative impact of sustainability-related risks such as compliance with new regulations, reputational problems, or even operational risks, reaches 70% of EBITDA. Even if there are conflicting opinions in the literature about the impact that the integration of sustainability into the various business models has on companies. What we can see, however, is that for all the geographical areas analyzed, ESG indices have performed better for the last 3 years, albeit slightly, than non-ESG Parent Indexes, maintaining an almost identical volatility of returns.



2.4 Shared Value:

According to Professor Michael Porter, the ability of companies to innovate and reach different dimensions is crucial to address many societal challenges over time. The seminal article on creating shared value published in 2011 by Professor Porter and Professor Kramer had a profound impact since it represents the intersection of

performance and progress. The shared value is *the set of policies and operating practices that strengthen a company's competitiveness while improving the economic and social conditions of the communities in which it operates*. At the heart of the concept is the link between social well-being and economic success. This concept represents their contribution to overcoming this impasse, as shared value opens up important strategic opportunities to create competitive advantage by driving the next wave of innovation, productivity and economic growth. This concept was later taken up by Rob Smith, senior director of Eli Lilly, who in his article published in Stanford Social Innovation Review in 2019 described it as: *the value of shares is created when a company applies its resources and skills to a social need in which it has an acquired interest*.

The share value theory does not seem untouchable. A first difficulty concerns the overlapping of the concept of shared value with Corporate Social Responsibility, which makes it difficult to delineate the boundaries of it. While the two economists believe that the two approaches are completely different and the first constitutes the solution to the failure of the second, many economists, scholars and entrepreneurs do not recognize any new contribution of shared value to the economic literature. According to these parts, the creation of shared value takes up concepts already formulated in the literature on CSR, in Edward Freeman's stakeholder management theory and in social innovation. Therefore, according to them, it would not be an innovative solution, but only a personal interpretation of existing theories. Porter and Kramer are accused of reporting a distorted view of CSR as they do not report elements of the new literature with respect to the link between it, the core business of a company and the introduction in 2010 of the legislation on Benefit Corporations. Critics argue that the theory proposed by Porter and Kramer superficially considers the complexity of social and environmental problems, simplifying them through the elimination of the trade-off between economic outcomes and social benefits. In addition, the criticism underlines that creating shared value is limited to a certain product of the company, while continuing to produce a negative impact with the products of the core business. It has also been observed that the concept is not applicable in all industries. Examples are the tobacco, arms, and oil industries where the creation of value for society can hardly be translated into economic value for the company. The overlap of the theories is undeniable so much so that they share points in common: the integration of the social objective into the business strategy, the integration of measuring shared value into the economic performance process, the creation competitive advantage through innovation and the lack of reporting that can quantify and describe relevant factors.

Analyzing the literature, all seem to indicate a willingness to embrace the approach of value for stakeholders and leave behind the doctrine of maximizing only value for shareholders. However, there are significant tensions and obstacles created by short-term incentive bonuses (financial ecosystem) etc., inconsistencies between business strategy and operations, and value chains, and inconsistencies between what is promised and what is delivered (e.g., greenwashing, purpose washing). In conclusion, turning words into deeds is still very much a "work in progress", but companies should and must do so, to avoid reputational and regulatory risks, to generate growth, develop a better competitive positioning, decrease costs, acquire, and retain talent and workforce.

4. Research Design:

In the light of what was presented during this paper, it was decided to carry out qualitative research whose research design is aimed at developing concepts that help a deep understanding of the phenomenon and investigate the current situation of the implementation of sustainability in the Italian football sector, identifying fields and gaps which represent the starting point for improvement on all fronts, and provide material for reflection for what will be methodological and strategic choices of the near future. This is done to produce results in terms of knowledge, on organizational and management issues with respect to the context and possible behavioral responses of companies. This paper will hopefully represent a matter of reflection for those interested/employed in the sector. The increase in critical awareness on the subject can have multiple repercussions on the subjects, trainers and on the training culture of management practices of this sector.

4.1 Methodology:

This qualitative research is also aimed at answering what is the research question: *Could the football industry acquire value and improve the current situation through a concrete implementation of the sustainable strategy on the environmental, social, and economic front?* The initial research question aimed at investigating the complexity of the football-sustainability binomial. This is considered necessary given the urgency of the topic, and useful both for information purposes and to increase the reader's awareness.

For data collection it was decided to use a strictly anonymous questionnaire to preserve the sources and collect a dataset as truthful as possible. Having found no reference to a survey like the one we were preparing in the recent literature, we were forced to draw up the questionnaire in almost full autonomy, taking as an example questionnaire proposed to other sectors and then adapting it to our field. The version finally adopted represents in our opinion the best compromise between the need for clarity towards the recipients and the need to respect a minimum of rigor in the definitions that were the basis of some questions. This questionnaire was administered to extrapolate useful indicators for our research analysis from the words of the protagonists of our sample. In addition, to select the indicators most relevant to our purpose, we compared this dataset with the data present in the literature presented in the previous chapters.

The methodology chosen is based ontologically and epistemologically on the theoretical horizon of phenomenology and among the methods of data collection, it provides the administration of a questionnaire placed on open research questions, to increase the flexibility of the research itself. The criteria used for the stipulation of the questions of the research questionnaire were:

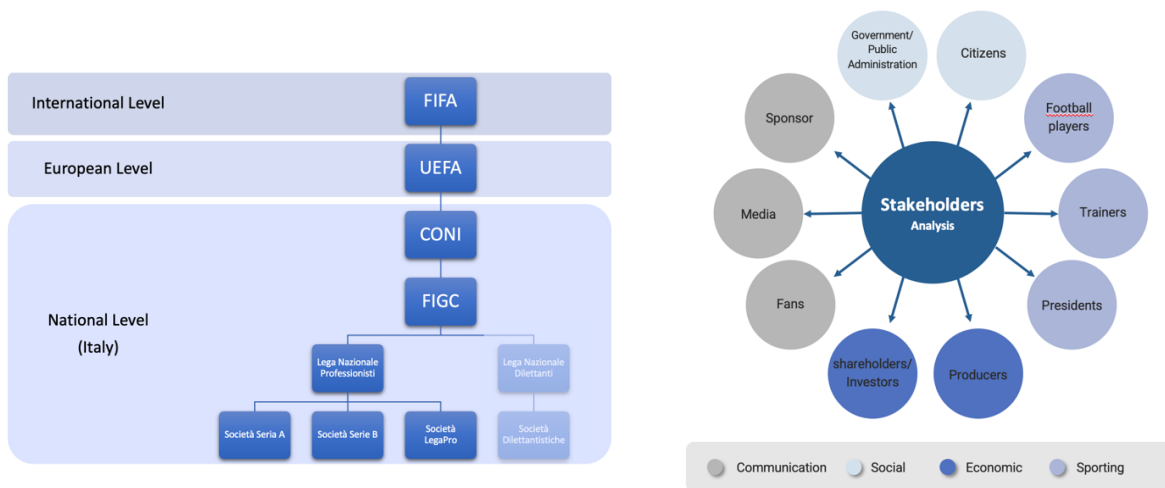
- **Flexibility:** to describe the context of the topic and to investigate opinions, attitudes, motivations, behaviors and / or expectations
- **Methodological rigor:** in the generation of the questionnaire the following principles were considered: need, relevance, usefulness, clarity, and adequacy.

In addition, through the proposed questionnaire we wanted to deepen three main aspects: (i) knowledge on the subject, (ii) the current situation of the football industry and (iii) the willingness of companies to take a step

towards the adoption of sustainable models. To investigate the words of our interviewees and ensure a profitable management of the materials produced in the research process, the use of adequate instrumentation was essential. NVivo software allowed me to conduct a methodical systematization of the materials produced and an effective working base to activate a more adequate exploration and analysis, facilitating the visibility of each phase of the analytical process as well as the representation of the reports of the procedures used.

4.2 Data Sample:

To better understand the classification in the sector of each element of the analysis sample, we will proceed with a general overview of the sector. The following two graphs describes the organization chart of the main organs that make up the football sector and a stakeholders' analysis. The graph focuses on the branch of Italian industry and therefore on its protagonists dividing them by level.

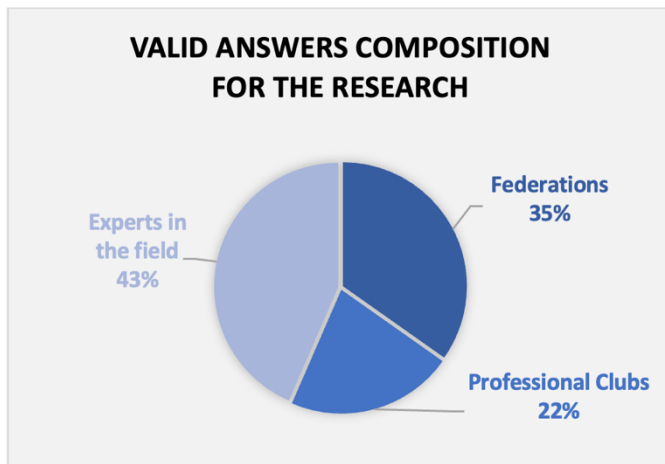


Source: Own processing on the present data relating to the football sector

In this research the primary data were collected through the session of interviews with the management class of the main institutions and companies of the Italian football industry. The sample was selected considering the analysis of the Italian market, in which there are 104 main cases of football companies: 4 federations and 100 professional teams. In addition, to broaden our field of analysis, in the sample were also considered experts in the field, such as professors of subjects in the sports field, specialists in the management of sporting events and lawyers specialized in the sports sector.



The sample of our analysis was contacted through LinkedIn and corporate emails and the interviews took place in the period of late April, mid-May 2022. Of the reference sample, 44 elements responded positively for participation in the analysis, of these 44 only 23 were successful thus considered valid for the research. Unsuccessful interviews were discarded from the research either because of the interviewee's renunciation during the session or because of insufficient relevant data.



The chart shows the composition of the sample according to their position in the market. As described in the graph, most of the answers were provided by "Experts in the field": 10 answers equal to 43%. This category includes university professors of sports management and corporate sport responsibility, 2019 Sports Program Referent, sports event management specialists at RCS Sports Events and lawyers specialized in the Football sector. The responses belonging to

"Federations" are 8 which equal to 35%. In this category we find members of the UEFA board and FIGC representatives of both in the directive and accountability area. The lowest number of answers was provided by the representatives of "Professional Clubs", the total of the latter is 5, equal to 22%. This category sees the participation of the management class of 3 Serie A companies and 2 of LegaPro. Of the answers considered invalid, 57.14% belong to this last category. This data begins to introduce what is one of the main findings of this research and that we will analyze later in the analysis: the problem of the lack of knowledge of the subject by the management class of the Italian football sector.

5. Results and Discussion:

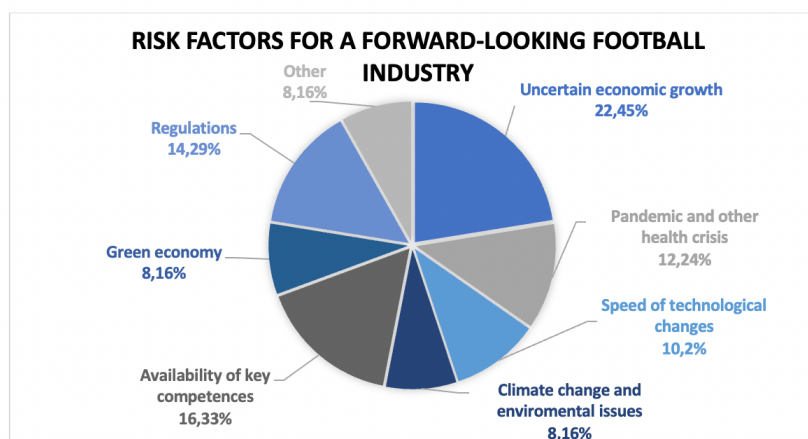
The sustainable strategy introduced by the UEFA focuses on human rights and the environment, and aims to *"inspire, activate and accelerate collective action towards respect for human rights and respect for the environment in the context of European football until 2030"*. The name of the strategy presented, Strength for Unity, is aimed at passing on the idea of UEFA's inability to act alone; in fact, an overall mobility of the football ecosystem is needed to invest in the future prosperity of football and to achieve a real result. It would seem a big forward step for the football ecosystem but the question that arises is the following: are there really the basis for the implementation of a sustainable strategy and therefore a change of course? UEFA would seem not to have considered some factors: the football ecosystem, to date, would not be ready for the implementation of sustainable strategies that would require not only large amounts of money, but also a change in governance, internal organization and, above all, a sufficient knowledge of the issue by the ruling class. An element of the sample declares: *"The truth is that the teams are not ready. It would take a professional figure who understands these dynamics, makes them his own and then begins to contaminate from the president down all those figures that rotate within the company and only after the introduction of a figure able to really understand something of the theme, start thinking about a strategy that conglomerates everything"*.

The sample under analysis was offered a list of concepts to analyze their familiarity on the subject. The percentages described in the chart below represent the portion of the total that claims to feel sufficiently competent when it comes to the following areas.

Corporate Social Responsibility (CSR)	Responsible conduct of enterprises (RBC)	Supply chain – due diligence	Non-financial reporting – Sustainability reporting	Sustainable Development Goals	Human rights for sustainability
54,5%	36,3%	27,3%	36,3%	54,5%	63,6%

Despite being a theme introduced at the beginning of the 2000s and that has been causing concern for about 12 years, as we can guess from the results presented, the football sector does not present a high level of confidence when it comes to issues related to the environment and more generally to sustainability. From the statements it emerges that within the industry managers are still trying to understand how to open up to this new organization. We have repeatedly stressed how a change of vision, from short term to long term, is necessary to achieve truly sustainable results. This foresight would be necessary, in the words of the interviewees, for a better quality of management and governance. The lack of foresight in the organization of football clubs is a serious problem to which even today the necessary attention is not paid. The latter, in fact, could be considered one of the main factors of the non-economic sustainability of the industry. Quoting the testimony of an element of the sample: *"The truth is that football clubs are not run like normal companies; there are no real medium/long-term programs, and everything is evaluated according to the final result. Football clubs have almost always been passive and the percentage of bankruptcies of professional clubs is about 10% every year. Coaches and sports directors have contracts of a maximum of 2-3 years, if not a single season, therefore, their goal is to achieve a personal result even at the expense of economic sustainability. In other words, when you win, it does not matter to anyone if you have spent more than you should, when you lose, they send you away even if you have respected the economic parameters, or rather, even if you have created a surplus value to your company"*.

However, when it comes to foresight, we must also consider the risks that the latter could bring to the management of the sector. On the assumption of a possible adoption of it, we asked our sample what are, according to their professional judgment, the factors that should explicitly be considered in strategic risk management activities.



The factors that would seem to worry the sector the most are many. Among these we certainly find the uncertain economic growth of the sector. According to the ReportCalcio2021 of the FIGC in collaboration with AREL and PwC, the economic and financial profile of professional football has more than doubled the millions of overall losses going from a -412 million euros in the 2018-2019 season to -878 million euros in the 2019-2020 season. The result is certainly influenced by the negative effects of the Covid19 pandemic and the postponed closure of the sports season which has led to the lack of possibility of attributing the revenues and costs of the period July-August in the 2019-2020 financial statements. Starting from this year, sports risk management, and not only, had to start increasing the attention on the "pandemic and other health crisis" factor, a totally unpredictable factor and almost impossible to amortize for a sector that survives for 23% from stadium revenues. Regarding the availability of key competences, 80% of respondents say that the management class of the sector does not have the basic skills for proper economic management. In this regard, it should be emphasized that the introduction of internationality by foreign entrepreneurs represents a factor of change for the market as it pushes the old "*unorthodox, poor and provincial*" management to adapt to what is a mindset more appropriate to the business. Quoting instead the words of another source of the research, whose thinking deviates from the predominant one, the problem would lie in something totally different: "*We should train managers and executives able to manage these companies that we could define as "particulate". To date there is a mutual lack: today the ruling class does not have the skills to govern the sector, but too technical people do not have the transport to adapt to what is the world of football and lack technical knowledge of sport. Even if you are considered a great manager with great knowledge in the economic field, it is not said that you are suitable for the sports world; if there is no knowledge of the 'dressing room', wrong rules or indications could be given which would come to destroy sport in the long run, thereby destroying the intrinsic balance of this sector*". A main point is that a correct analysis has not been carried out on which drivers to use; in the sector we do not know the drivers that bring benefit both in terms of sustainability and in terms of business performance. The speed of technological change is seen as a factor of opportunity by most elements of the sample, but risk management cannot fail to consider it in its operating scheme. Digital transformation has allowed the widening of revenue sources thanks to the greater engagement and the introduction of what is a new category of business, eSports. At present, eSports is worth about 1 billion dollars: in 2021; the sector has recorded a growth of 14.5% compared to the year before, with about 465 million users following the many competitions. The concern that the "regulatory" factor arises is related to the fact that the world of football is considered a constantly evolving sector, difficult to lock in fixed parameters over time. The regulation of the football sector, in fact, is based on empirical fact; that is, on the fact that it happens and that it is then discussed later to modify, if necessary, the pre-existing regulation. From what emerges from the results, climate change and the green economy do not yet seem to raise concerns and even though the sample declares that it is a field on which the football sector should do more for evaluation purposes.

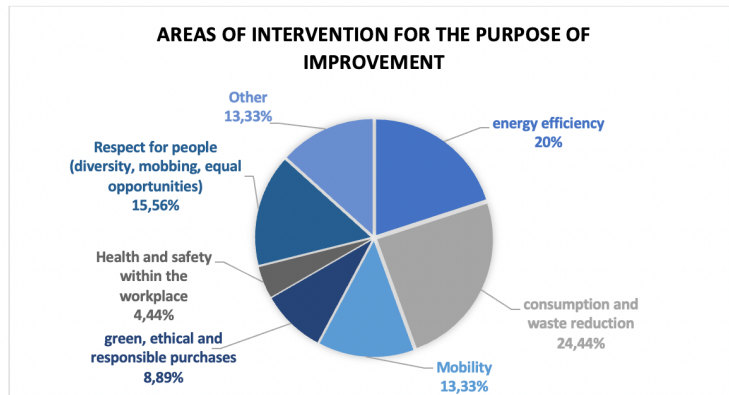
<i>Traditional Budget</i>	<i>Impact on the community</i>	<i>Transparency</i>	<i>Reduction of environmental impact</i>
54,55%	45,45%	72,73%	83,33%

As we mentioned, everybody seems to recognize the need of immediate actions, but no one is really active in this. The impediment to the achievement of this objective would seem to lie in the correlation between investments in efficiency and proprietary plant engineering. In Italy there are only 5 clubs that can boast a stadium of their own, 5% of professional clubs, while in the rest of Europe 19% of companies have their own stadium. These numbers confirm the backwardness of the system. Italian plants are obsolete and not modernized and not being owned, companies have no incentive to invest in them to increase their efficiency. The statements also show the need for standardization; as seen above, the economic literature lacks a unique tool capable of quantifying the value produced by this type of activity, thus representing a problem not only for the football sector but for the entire economic sector. The lack of standardization represents an issue also for what concerns the low level of sustainable investments. This represents a factor of "fright" and inattention as it constitutes a difficulty in the valuation of the stock. This represents a great criticality in the market as there is the impossibility of identifying sustainability parameters, achieving their measurement, and tracing their evolution over time. This also causes a drop in tension in the management of a company that decreases engagement on those specific objectives. The harmonization of the process revolves around intangible values that, now, are invisible to the market that struggles to quantify and represent them in Excel sheets.

Although almost half of the elements of the selected sample do not believe that football should do more in terms of traditional budget, during the interview phase many highlights came to light on the subject. According to what was declared: *"Presidents to date have moved like patrons; every year they budgeted money from personal savings and / or other owned or subordinate companies, to make the coffers of football clubs in line with the required parameters by creating a fictitious budget. This model can be romantically fascinating, but it is certainly not of great impact especially talking about final economic and managerial efficiency"*. The issue of transparency is also partly linked to what we have just described. A higher level of alloying constitutes a greater need for capital. Over the years this need for large sums of money has increased dramatically leading companies to mask their work, in other words, practicing the opposite policy to that of Financial Fair Play. Another recurring problem, which always falls within what are the "shortcuts" taken by the companies with the hope of restoring the balance sheets; this is represented by the fictitious capital gains created on the sale of players, an aspect still not considered by the market for a possible regulation for the evaluation of players.

When we asked our sample how they should plan to change long-term investments in environmental, social and governance sustainability (ESG) initiatives in the coming years, most responses focused on the topic of investing in communities. From what emerges, investing in wide-ranging sustainability is not yet a priority in the clubs' perspective, but the focus is on investing in the community because, in reality, it is the community that benefits exclusively to society. The design that comes out of it is that there are worlds that are still behind when it comes to sustainability, and that when they look to the future, they look at it with myopia, focusing exclusively on their own perspective. They do this by looking at the benefit they can derive from the community and not the benefit they can return.

In conclusion, the Italian football system lacks a solid foundation for proper financial management as it finds itself in a situation of instability when it comes to looking to the future. In this regard, a further question was proposed to our analysis sample. The purpose of the next question was to identify gaps, and therefore points of improvement, from which to start to restore a balance for a sound management of the sector. The graph below describes the consensus rate of the sample on potential areas of intervention for improvement.



The reduction of consumption and waste seems to be the point that finds the most consensus among the sample. In 2018, the European Union conducted a study on the estimate of waste production per spectator on the day of a match. This result is equivalent to about one kilogram per spectator, which considered for an entire stadium counts an average of 4 tons. The average fee for the disposal of a quintal of undifferentiated waste is 500 euros per quintal; this means that a football club on average will spend about 20,000 euros for the disposal of waste during the day of the race, which projected over the entire season rises to 360,000 euros. The average fee for the disposal of a quintal of properly differentiated waste is 263euros per quintal. The introduction of a regulation of disciplinary sanctions in the event of evasion would not only allow to almost halve the cost for football clubs but would also significantly reduce the impact they have on the environment. Proper behaviour on the part of clubs would offer an example and an incentive for fans to do the same.



Mobility turns out to be a further area of improvement for societies. In this regard, the actors of an event should also be informed of what is the environmental impact generated by their mobility decisions. In fact, if we consider the same sample used for the previous calculation, on average for 4,200 participants who travel 30 km to go to the event, 31,500 kgCO₂ will be issued. During the events, especially in the large urban centers,

there are still long traffic jams at the beginning and at the end of the main matches that sees the fans forced to move well in advance to reach the event and leave the stadium before the end of the latter to avoid the traffic that is generated near this. What has been described so far not only discourages the fan to participate in the events, which represents a direct impact on what are the stadium revenues for the company but has an impact on the feeling that binds the fan to that reality, decreasing engagement. There are two other items that deserve attention. The first concerns the "respect for people", a value that should be intrinsic to football, as in any sport practiced in a team or individually. To ensure that a correct culture is transmitted to the ultimate customer, and therefore to the fan, it is necessary that there is a strong culture also within the federations, leagues, and companies themselves. In addition, the football sector is still considered a strongly "masculine" environment, a condition that affects the top positions of the sector. From what has emerged, there is an urgent need for a better quality of management and governance in the long term, which represents the other important aspect to dwell. From the statements collected, it would seem to be common to the majority the need for the creation of a management model for the development of Italian companies that is consistent with the times we live and able to compete with the rest of the European system. In addition, the orientation of the mission and vision in the long term is considered fundamental to a correct planning, to date scarce, of what are the strategies and objectives of the company and the sector. We can say as a conclusion that economic sustainability should be achieved by considering the correlations between traditional budget and impact balance. There is a need for a technical reform in the sector with regard to reparametrize the tags, give the indices of materiality with respect to work and correlate the salary cap, given not only by the economic capacity of the company but also by an alignment with the others. The purpose of what has been described would be an improvement of the accounts and base "the game" on the ability to create the squad on the skill of the managers, as it was previously.

6. Conclusions:

To express a judgment on corporate sustainability within the football system, what was considered of fundamental importance was to first trace its main characteristics, such as its birth as a phenomenon of social aggregation, the sporting result as a pre-eminent purpose and its subsequent transformation into business. The topics dealt with along the paper were different and composed a well-descriptive design of the development and complications related to the work in the sustainable field of the companies belonging to the football planet.

To summarize what has been analyzed above we can say that the exponential expansion that has characterized the football sector has highlighted not only its main social vocation but also its economic nature. As a result of this increase in economic interests, the world of football has begun to represent an important figure of "strategic partner". Although there has been this transformation, the sector does not seem to behave in compliance with market demands. The widespread general conviction that attributes to sport connotations far superior to the mere result has been confirmed by the episodes that have occurred over the last decades and recalled in the course of this work. To be considered real companies, the industry should improve the aspects of organization and planning of activities, to date almost absent, transform from short-term oriented to long-term oriented companies, and finally they should conduct a healthy activity, economic or not.

This research framed the idea of the added value of implementing sustainability in a broad context, suited to football clubs and the level at which they operate across the economies and societies in which they find themselves. Football is a big deal and is, in financial terms, a clear net contributor to the national and world economy. This research therefore reinforces the results of the previous literature according to which the sports market does not hold the suitable models to evaluate the added value of sustainability but, even possessing them, to date it would not be unable to manage a movement as large as the one under analysis due to the lack of knowledge and motivation on the subject. A further problem is represented by the conception of sustainability; as we have analyzed, many exponents consider this an element distinct from that of financial performance. There is no parallel strategy for sustainability, but there is only one; this means believing united in a strategy. Sustainability is never attributable to vertically measurable phenomena, but it is a circular theme with a systemic value. From this point of view, companies should move in a logic of continuous partnership to arrive at the complete integration of the phenomenon. A complete integration of the phenomenon implies the integration of this concept of risk, considering and evaluating the impact that this can generally outside and inside the company and how this has generated an impact on intangible assets, for example reputation. In other words, a company's risk management model should consider a dual materiality; the effect that the risk generates both in terms of internal events but also in terms of feedback events on sustainability phenomena that consequently mirror what are the characteristics that the company has been able to generate.

What seems to characterize the football sector in Italy, however, is the short-sighted vision of the future, recognizing the need for change but investing only to benefit directly and in the short term. The image he gives is that of a sector totally unaware of both the basic concepts of the phenomenon and the potential of the latter. Priorities need to be set; football clubs do not put enough effort into 'sustainable' activities and, moreover, the activities carried out are not part of a planning.

In conclusion, we can say that sustainability and financial performance are one the direct consequence of the other. We have seen how the purpose is directly linked to profits, but, similarly, sustainability also impacts corporate profitability. The concept of "sustainable success" can be considered the novelty of the Corporate Governance Code, approved in 2020 and entered into force the following year. Sustainable success introduces the concept of coding and long-term value creation. Two key elements of success are represented by the combination and alignment between sustainability parameters and the economic-financial KPIs of the company, and by the change of vision from short term to long term, as it is considered fundamental for the introduction to sustainability.

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