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The side impact of winning titles on the financial health of football clubs

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Abstract

This thesis investigates the financial and legal repercussions of sporting success for publicly listed football clubs, particularly the counterintuitive financial instability that often follows major title victories. Traditional corporate finance principles suggest that improved performance correlates with increased market value, yet empirical evidence from European football clubs frequently contradicts this assumption. Through an in-depth analysis of Juventus, Roma, Lazio, Manchester United, and Ajax—clubs that have achieved significant sporting success while navigating complex regulatory environments—this study examines how winning titles impacts financial sustainability, market valuation, and corporate disclosure obligations.

The research combines quantitative analysis of financial reporting, regulatory compliance costs, and disclosure effectiveness with qualitative case studies. Findings reveal systemic challenges in meeting disclosure obligations, particularly in jurisdictions with fragmented regulatory oversight. While clubs typically adhere to immediate reporting requirements, they struggle with maintaining transparency regarding long-term financial commitments triggered by sporting achievements, such as performance-related payments, wage escalations, and increased investor expectations. The study further identifies regulatory inconsistencies across European and international markets, highlighting how disclosure gaps contribute to stock price volatility and financial mismanagement.

Case studies illustrate the diverse consequences of success-triggered financial strain: Juventus's compliance failures and subsequent financial penalties, both Roma's and Lazio's post-title financial decline, Ajax's market volatility following their Champions League run, and Manchester United's challenges in balancing dual regulatory requirements. These examples underscore the inadequacy of conventional corporate governance models in addressing the unique financial dynamics of football clubs.

The research concludes that existing financial disclosure and governance regulations are insufficient to accommodate the complexities of the football industry. It calls for enhanced cross-jurisdictional regulatory harmonization, specialized financial reporting standards tailored to the sector, and improved compliance structures to align sporting success with financial stability. The findings contribute to the broader discussion on corporate finance in sports and provide insights for investors, policymakers, and legal practitioners seeking to mitigate the financial risks associated with football's competitive landscape.

Summary

Chapter 1: Introduction to the phenomenon

1.1 Relevance of the study

The relationship between sporting success and financial performance in professional football presents one of the most intriguing paradoxes in modern corporate finance. While traditional businesses typically see their market value rise with improved performance and increased liquidity, football clubs often demonstrate contrary patterns that challenge fundamental market assumptions[1]. Recent research in corporate finance has focused on understanding why football defies standard market theories[2].

The global football industry, with the European market alone generating €35.3 billion in revenue for the 2022/23 season, represents a unique intersection of sporting achievement and financial management[3]. The top 20 clubs alone generated €10.5 billion in revenue, reflecting football's increasing market concentration[4]. At this scale, understanding how football markets behave matters for investment decisions and regulatory policy[5].

The Italian market provides a particularly significant example of this evolution, with its clubs being among the first to adopt modern corporate structures and public listing approaches. Italian clubs' early market experiences revealed problems that would later affect football finance across Europe[6].

UEFA's Financial Fair Play regulations acknowledge that football requires different financial controls than standard businesses. Standard financial regulations failed to address how football

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[1] Edmans, A., García, D., & Norli, Ø. (2007). "Sports Sentiment and Stock Returns." The Journal of Finance, 62(4), pp.1967-1998 https://www.jstor.org/stable/4622322

[2] Scelles, N., Szymanski, S., & Dermit-Richard, N. (2016). "Insolvency in French Soccer: The Case of Payment Failure." Journal of Sports Economics, 19(5), pp.603-624. https://journals.sagepub.com/doi/10.1177/1527002516674510

[3] Deloitte. (2024). "Annual Review of Football Finance 2024." https://www.deloitte.com/uk/en/services/financial-advisory/research/annual-review-of-football-finance-europe.html

[4] Deloitte. (2024). "Football Money League 2024." https://www.deloitte.com/uk/en/services/financial-advisory/analysis/deloitte-football-money-league.html

[5] Rohde, M., & Breuer, C. (2018). "The Market for Football Club Investors: A Review of Theory and Empirical Evidence from Professional European Football." International Journal of Sport Finance, 13(2), pp.127-150. https://www.researchgate.net/publication/311440859_The_Market_for_Football_Club_Investors_A_Review_of_Theory_and_Empirical_Evidence_from_Professional_European_Football

[6] Botoc, C., Mihancea, E., & Molcut, A. (2023). "Football and Stock Market Performance Correlation: Evidence from Italy." International Journal of Financial Studies. https://www.researchgate.net/publication/347456765_FOOTBALL_AND_STOCK_MARKET_PERFORMANCE_CORRELATION_EVIDENCE_FROM_ITALY

clubs behave in markets[7]. This regulatory evolution demonstrates the industry's acknowledgment that football clubs require specialized approaches to financial management and valuation[8].

These market patterns affect how investors value sports assets generally, not just football clubs. Recent comprehensive analysis demonstrates that the transformation of football clubs into modern corporate entities has fundamentally altered how financial markets evaluate sporting success[9]. The implications of this transformation reach across multiple domains, from investment strategies to regulatory frameworks[10].

The importance of understanding these relationships has grown as the football industry evolves. The relationship between sporting success and financial performance demands more sophisticated analytical tools than standard market theory provides[11]. Understanding these market behaviors has become essential as football's financial structures grow more sophisticated [Szymanski 2017].

1.2 Problem statement and research questions

The paradox identified in football finance manifests through specific mechanisms that challenge traditional financial theory. Market data reveals a consistent pattern where listed clubs frequently see declining valuations in seasons following major trophy wins, despite improved performance and increased revenue streams[12]. This pattern creates fundamental challenges for market participants and regulators[13].

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[7] Peeters, T., & Szymanski, S. (2014). "Financial Fair Play in European Football." Economic Policy, 29(78), pp.343-390. https://deepblue.lib.umich.edu/bitstream/handle/2027.42/107369/ecop12031.pdf?seque

[8] Szymanski, S. (2017). "Entry into exit: Insolvency in English professional football." Scottish Journal of Political Economy, 64(4), pp.419-444. https://onlinelibrary.wiley.com/doi/10.1111/sjpe.12134

[9] Martín-Magdalena, J., De Los Ríos-Sastre, S., Redondo, R., & Alaminos, D. (2024). "Effectiveness of UEFA's regulation for European football financial management." Heliyon, 10(20). https://www.sciencedirect.com/science/article/pii/S2405844024151821

[10] Caglio, A., Laffitte, S., & Masciandaro, D. (2023). "Has financial fair play changed European football?" Sports Economics Review, 3, 100018. https://www.sciencedirect.com/science/article/pii/S2773161823000113

[11] UEFA. (2024). "Club Licensing and Financial Sustainability Regulations." [regulatory document] https://documents.uefa.com/r/UEFA-Club-Licensing-and-Financial-Sustainability-Regulations-2024-Online

[12] Maglione, F. (2023). "Impact of Financial Fair Play on English Football Clubs." LUISS Thesis, pp.1-89. https://tesi.luiss.it/37969/1/252071_MAGLIONE_FLAVIO.pdf

[13] Castro, A. (2023). "Financial Fair Play in Professional Football." LUISS Thesis, pp.1-112. https://tesi.luiss.it/37524/1/748251_CASTRO_ALBERTO.pdf

The mechanisms operate through multiple channels that distinguish football club finance from traditional corporate structures. Performance success typically triggers immediate increases in operational costs through performance-related compensation, while creating significant lag time between revenue recognition and cost occurrence. Furthermore, these clubs must navigate complex relationships between achievement and long-term sustainability, as sporting success often creates long-term financial obligations that may not be immediately apparent in financial statements[14].
This pattern is particularly evident in the Italian Serie A, where listed clubs like Juventus, Roma, and Lazio have provided extensive empirical evidence of how sporting achievement affects financial obligations and market valuations[15].

These dynamics create distinctive challenges for corporate governance and financial disclosure requirements[16]. The introduction of Financial Fair Play regulations represents a significant attempt to address these challenges, establishing a framework that aims to balance sporting ambitions with financial stability[17].

This intersection of sports performance, financial markets, and legal obligations raises several fundamental research questions:

The primary investigation examines how sporting achievements influence the market valuation of publicly traded football clubs, focusing particularly on the adequacy of current corporate governance mechanisms and disclosure requirements[18]. This analysis becomes especially relevant as football clubs must balance competitive ambitions with their obligations as public companies.

Three supporting questions emerge from this central investigation:

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[14] Storm, R.K., & Nielsen, K. (2022). "New research pathways in soft budget constraint approach." Edward Elgar Publishing, pp.156-178. https://www.elgaronline.com/edcollchap/book/9781800375994/book-part-9781800375994-10.xml
[15] Busalini, G. (2022). "The impact of soccer results on publicly traded soccer clubs: Evidence from Italian Serie A." https://repositorio.ucp.pt/bitstream/10400.14/31318/1/152418091_Giulio%20Busalini_DPDFA.pdf
[16] Signori, A. (2021). "The Financial Fair Play: Impact, strengths and weaknesses." LUISS Thesis, pp.1-124. https://tesi.luiss.it/29745/1/703311_SIGNORI_ANDREA.pdf
[17] Franck, E. (2018). "European Club Football after 'Five Treatments' with Financial Fair Play—Time for an Assessment." International Journal of Financial Studies, 6(4), pp.1-19. https://www.mdpi.com/2227-7072/6/4/97
[18] Criscolo, S. (2023). "Application of a Comparative Model to the Italian Serie A." LUISS Thesis, pp.1-76. https://tesi.luiss.it/35366/1/732911_CRISCOLO_SILVIO.pdf

First, how do financial markets process and value sporting success, and what are the implications for securities regulation and corporate disclosure? This requires analysis of both market behavior and the effectiveness of current legal frameworks governing financial transparency in sports organizations[19].

Second, how do regulatory frameworks, particularly corporate governance requirements and Financial Fair Play regulations, mediate the relationship between sporting achievement and market valuation? This question examines the effectiveness of current legal standards in protecting stakeholder interests[20].

Third, how can football clubs develop governance structures that effectively balance sporting ambitions with their legal obligations? This includes examining best practices in board composition, internal controls, and stakeholder communication[21].

This study uses a mixed-method approach that combines case studies of corporate governance procedures with quantitative analysis to answer these concerns. While detailed examination of specific cases will follow in section 1.5, the methodology encompasses analysis of various European clubs where the interaction between corporate governance mechanisms and sporting success has been particularly noteworthy [Criscolo 2023].

1.3 Importance for investors and legal practitioners

The unique relationship between sporting success and financial performance creates distinct challenges for football clubs in meeting their corporate communication obligations. As public entities, these clubs face severe disclosure requirements that extend beyond traditional corporate reporting frameworks[22]. The complexity of these obligations increases significantly

[19] Baur, D.G., & McKeating, C. (2011). "Do Football Clubs Benefit from Initial Public Offerings?" https://www.researchgate.net/publication/227450868_Do_Football_Clubs_Benefit_from_Initial_Public_Offerings
[20] Gabrielli, L. (2023). "Private Equity investments in the Football Industry." LUISS Thesis, pp.1-98. https://tesi.luiss.it/32594/1/718021_GABRIELLI_LORENZO.pdf
[21] Pilardi, D. (2022). "The Internationalisation Effect in Football Teams." LUISS Thesis, pp.1-82. https://tesi.luiss.it/33965/1/730951_PILARDI_DIEGO.pdf
[22] Morrow, S. (2019). "Football clubs and financial reporting: Time for a new model?" Sport, Business and Management: An International Journal, 9(1), pp.4-19.

during periods of sporting achievement, when clubs must balance market transparency with competitive sensitivities[23].

The Italian experience in regulating listed football clubs has been particularly influential in developing European standards for corporate communications and transparency requirements. Italian clubs' early adoption of public listing has provided valuable lessons for both regulators and practitioners[24].

Legal responsibilities in corporate communications center on three critical areas. First, the management of price-sensitive information requires careful consideration of both timing and content. Football clubs must provide continuous disclosure about performance-related financial obligations, including bonus structures, wage adjustments, and investment requirements that result from sporting success [Maglione 2023] . Research demonstrates that standard disclosure frameworks often prove inadequate for capturing these unique financial dynamics [Castro 2023].

Second, the valuation and reporting of assets presents particular challenges during periods of sporting achievement. Regulatory requirements demand specific disclosures about how trophy wins and competitive success affect a club's financial position, particularly regarding player valuations and performance-related obligations [UEFA 2024]. The failure to accurately report these elements can result in significant regulatory penalties and market consequences[25].

The consequences of failing to meet these obligations can be severe and multifaceted. Regulatory bodies may impose financial penalties, competition restrictions, or transfer limitations[26]. Market reactions to inadequate disclosure can lead to increased volatility and

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https://www.researchgate.net/publication/263614443_Football_club_financial_reporting_time_for_a_new_model

[23] Maguire, K. (2023). "The Price of Football: Understanding Football Club Finance." Agenda Publishing, pp.1-328. https://www.jstor.org/stable/j.ctv1mvw918

[24] Büyükaşlan, A., et al. (2023). "Applying Grey Relational Analysis to Italian Football Clubs: A Measurement of the Financial Performance of Serie A Teams." International Review of Economics and Management, 5(2), pp.1-18. https://www.researchgate.net/publication/316918770_APPLYING_GREY_RELATIONAL_ANALYSIS_TO_ITALIAN_FOOTBALL_CLUBS_A_MEASUREMENT_OF_THE_FINANCIAL_PERFORMANCE_OF_SERIE_A_TEAMS

[25] Dunbar, A. (2021). "A critical examination of UEFA's Financial Fair Play Regulations." https://researchonline.jcu.edu.au/70917/1/JCU_70917_Dunbar_2021_thesis.pdf

[26] Preuss, H., Haugen, K., & Schubert, M. (2011). "UEFA Financial Fair Play: The Curse of Regulation." European Journal of Sport Studies, pp.1-20.

decreased investor confidence[27]. Recent analysis has identified specific fraud risks in football club financial reporting, particularly concerning the disclosure of performance-related financial obligations [Baur & McKeating 2011].

Legal practitioners face unique challenges in advising football clubs on compliance matters. They must help clubs navigate complex disclosure requirements while ensuring transparency about both achievements and their financial implications[28]. This requires specialized knowledge of both corporate law and sports-specific regulations. Recent research on Financial Fair Play implementation demonstrates how these requirements have deeply altered the relationship between sporting success and financial management, creating new challenges for legal compliance [Caglio et al., 2023].

The protection of investor interests becomes particularly critical when sporting achievements create potential financial strains. Legal frameworks must ensure clear communication of the relationship between competitive success and financial obligations, especially when these may conflict [Preuss et al., 2011]. Materiality thresholds for disclosure, impact assessment methodologies, stakeholder communication strategies, and compliance monitoring systems must all be carefully considered within this context [UEFA 2024].

These requirements serve multiple purposes: protecting investor interests, maintaining market integrity, and ensuring fair competition. Economic analysis demonstrates that financial regulations have significantly impacted both club profitability and competitive balance [Peeters et al., 2014]. These regulatory changes have fundamentally altered club financial behavior [Caglio et al., 2023]. Understanding these changes requires examination of the historical context that shaped current market structures and regulatory frameworks.

https://www.researchgate.net/publication/260852265_UEFA_financial_fair_play_-_the_curse_of_regulation_in_European_J_of_Sport_Studies

[27] Wang, Y., et al. (2023). "Understanding and Mitigating Fraud Risk in Professional Football." Deviant Behavior, 44(12), pp.2246-2265. https://www.tandfonline.com/doi/full/10.1080/01639625.2023.2246095

[28] Van Maren, O. (2016). "EU State Aid Law and Professional Football." European State Aid Law Quarterly, 15(1), pp.31-46. https://www.jstor.org/stable/26689559

1.4 Historical context and market trends in publicly listed football clubs

The evolution of football clubs into publicly traded entities marks a significant transformation in sports business history. This journey began in 1983 when Tottenham Hotspur became the first European football club to ever list on a stock exchange, introducing new complexities in valuing sporting institutions in financial markets[29].

The subsequent development of football club listings occurred in distinct phases. The transformation from traditional club structures to modern corporate entities has fundamentally altered value creation mechanisms in football, particularly in how clubs balance their sporting heritage with market expectations[30]. This evolution is reflected in the changing patterns of club ownership and governance structures [Deloitte 2024].

The market performance of listed football clubs has evolved significantly since these early listings, creating unique risk assessment challenges particularly in how financial markets evaluate their performance and stability. Traditional financial risk assessment models have required substantial modification to account for the unique characteristics of listed football clubs, as market valuations increasingly reflect both financial fundamentals and sporting performance metrics in more sophisticated ways than previously observed[31].

The contemporary landscape of listed football clubs has been significantly shaped by regulatory developments, particularly Financial Fair Play regulations. These regulations have fundamentally altered the relationship between sporting performance and market valuations [Caglio et al., 2023]. The European football market continues to grow, reaching €35.3 billion in 2022/23, with valuation metrics for listed clubs becoming increasingly sophisticated [Deloitte 2024], reflecting growing investor understanding of the complex relationship between sporting achievement and financial performance [Sauer et al., 2024].

[29] Renneboog, L.D.R., & Vanbrabant, P. (2000). "Share price reactions to sporty performances of soccer clubs listed on the London Stock Exchange and the AIM." Applied Financial Economics, 21(12), pp.863-885. https://pure.uvt.nl/ws/files/534671/19.pdf
[30] Sauer, T., Anagnostopoulos, C., Zülch, H., & Werthmann, L. (2024). "Creating value in football: unveiling business activities and value drivers." Sport, Business and Management: An International Journal. https://www.tandfonline.com/doi/full/10.1080/23750472.2024.2314568
[31] Fan, M., Chen, X., Liu, B., Zhou, F., Gong, B., & Tao, R. (2024). "An analysis of financial risk assessment of globally listed football clubs." Heliyon, 10(20), e39151. https://www.sciencedirect.com/science/article/pii/S2405844023100946

The Italian experience provides particularly valuable insights into the evolution of football club listings and their market behavior, shown by its major listed clubs. Significant correlations between sporting performance and stock market reactions provide crucial insights into market behavior in one of Europe's major football markets [Botoc et al., 2023]. This pattern is further evidenced in the specific dynamics of Italian football stocks [Busalini 2022], with Serie A teams demonstrating unique patterns in market valuation [Büyükaşlan et al., 2023].

These market trends and historical developments provide essential context for understanding specific cases where the relationship between sporting success and market value manifests most clearly. The evolution of market understanding and regulatory frameworks has created distinct periods where this paradox between sporting success and financial performance can be examined in detail [Caglio et al., 2023]. This varying impact becomes particularly apparent when examining specific cases of clubs experiencing significant sporting success.

These historical patterns and market trends provide the analytical framework through which we can examine specific cases of trophy-winning clubs and their subsequent market performance. The following analysis will focus on notable examples, which demonstrate how the theoretical understanding of football club valuation has been challenged and refined through practical experience, offering insights into both the persistence and evolution of this financial paradox [Sauer et al., 2024].

1.5 Case studies

The theoretical arguments about football finance find their clearest expression in specific market events. Listed clubs provide detailed evidence of how sporting success affects financial stability, often in ways that challenge standard market theory. Our analysis focuses on cases where market data reveals this relationship most clearly.

Lazio and Roma listed on the Borsa Italiana just as they achieved their greatest sporting successes, making their market behavior particularly instructive. Their experiences shaped how analysts would come to understand football finance more broadly.

Later cases show how these patterns evolved under different regulatory systems. Juventus demonstrates modern compliance challenges, while Manchester United shows how sustained success masked growing financial problems. Ajax's recent experience reveals how even well-regulated markets struggle with football's financial peculiarities, even in unexpected sports success.

Lazio 1999-2000

The case of S.S. Lazio represents one of the most dramatic examples of how sporting success and financial instability can intersect in modern football. The club was enlisted on the Italian stock market in 1998, when it became the first Italian football club to be listed on the Borsa Italiana under Sergio Cragnotti's presidency[32].

The period 1998-2000 marked unprecedented sporting success. After winning the UEFA Cup Winners' Cup[33] and UEFA Super Cup in 1999[34], the club achieved a historic domestic double in the 1999-2000 season. The market initially responded positively, with the stock reaching its historical high of €41.31 in February 1999[35]. However, this success was built on fragile financial foundations, largely supported by Cragnotti's food company Cirio[36].

The collapse came swiftly when Cirio faced financial difficulties and was declared insolvent in November 2002. By 2004, the club had accumulated approximately €350 million in debt[37], including €170 million in tax liabilities[38]. The crisis was only resolved through a takeover by Claudio Lotito, who negotiated a 23-year tax repayment plan with the Italian government[39].

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[32] De Nardi, R. (2016). "Financial Analysis of Football Clubs." University of Padova. https://thesis.unipd.it/retrieve/29f6734a-5bad-4be2-bfb3-f0e6bbbf7100/De_Nardi_Riccardo.pdf

[33] "Lazio vs Mallorca: 1998/99 UEFA Cup Winners' Cup Final." The Laziali (2020). https://thelaziali.com/2020/11/25/lazio-vs-mallorca-uefa-cup-winners-cup-1998-1999/

[34] "1999 Super Cup: Salas downs United." UEFA.com https://www.uefa.com/uefasupercup/history/1999/

[35] "Stock price history for S.S. Lazio (SSL.MI)." Companies Market Cap. https://companiesmarketcap.com/ss-lazio/stock-price-history/

[36] "1999-2000 Lazio Stats." FBref.com (Official Serie A Statistics). https://fbref.com/en/squads/7213da33/1999-2000/Lazio-Stats

[37] "Cragnotti to stand down." UEFA Official Statement (2002). https://www.uefa.com/uefaeuropaleague/news/025a-0eaaebea70cb-502bd49840eb-1000--cragnotti-to-stand-down/

[38] "Ex-Chairman of Italian Food Producer Is Arrested." The New York Times (2004). https://www.nytimes.com/2004/02/12/business/ex-chairman-of-italian-food-producer-is-arrested.html

[39] "The Honourable Tenure of Claudio Lotito at Lazio." The Laziali (2022). https://thelaziali.com/2022/04/18/tenure-claudio-lotito-lazio/

As a listed company, Lazio's crisis highlighted significant regulatory challenges. Under Legislative Decree 58/1998, the club faced strict disclosure requirements about price-sensitive information[40]. CONSOB, Italy's market regulator, imposed enhanced monitoring requirements as the crisis unfolded, requiring monthly updates about financial position and debt restructuring efforts[41]. This period demonstrated the limitations of traditional corporate disclosure frameworks in capturing the unique relationship between sporting achievements and financial obligations in football[42].

Roma 2000-2001

Roma's listing on the Borsa Italiana in 2000, with the Sensi family maintaining majority control through Italpetroli, was quickly followed by their first Serie A title in 18 years during the 2000-01 season[43]. This timing created a unique opportunity to examine how immediate sporting success affects a newly listed club's financial obligations [Botoc et al., 2023]..

The financial implications of the Scudetto triumph were significant and immediate. The victory triggered substantial performance-related payments and created market expectations for continued investment to maintain competitiveness [CONSOB Annual Report 2002]. Under CONSOB oversight, Roma had to provide detailed financial information about these new obligations, revealing how their sporting success placed immediate strain on the club's financial structure. The market's response would prove telling, with the club's share price declining by 85% over the following two decades[44].

By 2010, Italpetroli was struggling with €400 million in debt, with €320 million owed to UniCredit alone[45]. These mounting debt problems directly impacted Roma's financial

[40] Legislative Decree no. 58 of 24 February 1998 (TUF), Article 114 - Continuous Disclosure Obligations. Official Gazette of the Italian Republic.
https://www.ecgi.global/sites/default/files/codes/documents/testo_unico_eng.pdf
[41] CONSOB Annual Report 2002. https://www.consob.it/documents/1912911/1980812/annualreport2002.pdf
[42] Danovi, A. (2002). "Financial Crisis and Disclosure Requirements in Italy: The Consob Blacklist." ResearchGate.
https://www.researchgate.net/publication/272392169_Financial_Crisis_and_Disclosure_Requirements_in_Italy_The_Consob_Blacklist
[43] "Facts and Figures 2000." Borsa Italiana.
https://www.borsaitaliana.it/borsaitaliana/statistiche/mediaenglish/factsfigures/2000/ff20004077.pdf
[44] "11 Football Clubs That Are Publicly Listed And Why You Should Not Invest in Them." Dr Wealth (2024).
https://drwealth.com/11-football-clubs-that-are-publicly-listed-and-why-you-should-not-invest-in-them/
[45] "Roma are officially put up for sale to clear debts." The Guardian (2010).
https://www.theguardian.com/football/2010/jul/09/roma-for-sale-clear-debts

stability, as the club's ability to maintain competitive investment became increasingly dependent on its struggling parent company. The financial pressure ultimately forced the Sensi family to give up control, with Roma being officially put up for sale to clear the mounting debts.

Juventus 2016-2017

The Juventus case provides a more recent demonstration of how sporting success can trigger financial practices that ultimately lead to regulatory examination. Listed on the Borsa Italiana since 2001, the club reached new heights of sporting achievement in 2016-17, securing their sixth consecutive Serie A title and reaching the Champions League final[46]. This success, driven by the pursuit of European glory, would later be linked to financial practices that attracted significant regulatory attention[47].

The financial implications of maintaining this level of success were substantial. The club's pursuit of Champions League glory led to significant investments in player acquisitions and wages, with the club's market capitalization growing from €593 million in July 2017 to over €1.53 billion by January 2020[48]. The most notable example of this ambitious spending was the signing of Cristiano Ronaldo in 2018 with a €31 million annual salary, part of a total squad investment that would reach €180.8 million in the 2021/22 transfer campaign[49].

The situation deteriorated significantly when investigations revealed issues with the club's financial reporting. In May 2021, the "Prisma" investigation began examining the club's transfer dealings and accounting practices[50]. Specific transactions came under scrutiny,

[46] "2016-2017 Annual Financial Report." Juventus Football Club. https://www.juventus.com/images/image/private/fl_attachment/dev/ozvcv5ufkfuost7lzm9o.pdf
[47] Gelmini, L., Bavagnoli, F., & Comoli, M. (2024). "The impact of capital gains manipulation on the financial reporting of football clubs - the Plusvalenza case and Juventus." Journal of Financial Crime. https://www.researchgate.net/publication/384534183_The_impact_of_capital_gains_manipulation_on_the_financial_reporting_of_football_clubs_-the_Plusvalenza_case_and_Juventus
[48] "Market cap of Juventus FC on Milan Stock Exchange 2017-2020." Statista. https://www.statista.com/statistics/779310/market-capitalization-of-the-italian-juventus-football-club-spa-on-milan-stock-exchange/
[49] "Juventus Annual Financial Report 2021/22." Juventus Football Club. https://www.juventus.com/images/image/upload/dev/awb9sitx9ojkkbstufsy.pdf
[50] "Reports: Juventus being investigated for false accounting." Black & White & Read All Over (2021). https://www.blackwhitereadallover.com/2021/11/27/22804479/juventus-investigation-for-false-accounting-andrea-agnelli-pavel-nedved-fabio-paratici-transfers

including a €43.7 million capital gain recorded on the Pjanic transfer[51]. The investigation uncovered significant discrepancies, leading to a restatement of accounts that increased the 2020/21 loss by €17 million[52]. The crisis deepened with the club posting a record loss of €254.3 million for the 2021/22 fiscal year[53], ultimately leading to the entire board's resignation and a 15-point penalty in Serie A[54].

The market impact of these revelations was severe and long-lasting. The club's share price fell sharply following the board's resignation, leading to a €200 million rights issue in 2023 to address mounting losses[55]. The regulatory consequences extended beyond domestic penalties, with UEFA imposing a €20 million fine and competition ban[56]. The investigation revealed significant issues with the club's market communications, particularly regarding player valuations and transfer dealings, leading CONSOB to require detailed restatements of multiple years' accounts[57]. The case demonstrated how the pressure to maintain sporting success through aggressive financial practices can lead to severe market consequences and regulatory sanctions[58].

Manchester United 2012-2013

Manchester United's case demonstrates how sustained sporting success can mask growing financial strains until they become critical. Listed on the New York Stock Exchange in August 2012, the club's final season under Sir Alex Ferguson coincided with increasing

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[51] "Inside the Juventus crisis: The Paratici 'black book.'" The Athletic (2023). https://www.nytimes.com/athletic/4141896/2023/02/07/juventus-crisis-paratici-ronaldo-chiellini/

[52] "Juventus Finances 2022/23." Swiss Ramble (2023). https://swissramble.substack.com/p/juventus-finances-202223

[53] "Juventus: Entire soccer club board of directors resigns over financial statements probe." CNN (2022). https://edition.cnn.com/2022/11/28/football/juventus-board-resign-andrea-agnelli-spt-intl/index.html

[54] Pollina, E., & Piovaccari, G. (2022). "Troubled Juventus turns to accountant as Andrea Agnelli era ends." Reuters. https://www.reuters.com/lifestyle/sports/juventus-loses-chairman-agnelli-ceo-board-resigns-2022-11-28/

[55] "Juventus begins €200m rights issue to plug losses after FFP sanctions." Global Capital (2023). https://www.globalcapital.com/article/2cy27216h6uwzkijsmlts/equity/follow-ons-and-rights-issues/juventus-begins-200m-rights-issue-to-plug-losses-after-ffp-sanctions

[56] "Entire Juventus Board Resigns: What Is Happening At Italy's Biggest Club?" Forbes (2022). https://www.forbes.com/sites/adamdigby/2022/11/29/entire-juventus-board-resigns-what-is-happening-at-italys-biggest-club/

[57] "CONSOB Resolution on Juventus Financial Statements." Juventus Official Communication (2023). https://www.juventus.com/images/image/private/fl_attachment/dev/vqw3lipacdjrsyny3b1k.pdf

scrutiny of its financial structure[59]. While securing their 20th league title in 2013, the club was simultaneously spending £71 million annually just to service its debt obligations[60].

The club's NYSE listing was itself a response to financial pressures. Despite generating record commercial revenues, Manchester United carried a debt burden of £423 million in 2012, a legacy of the Glazer family's leveraged buyout[61]. The IPO raised $233.3 million, but only half would be used for debt reduction, raising concerns among investors and supporters alike[62].

The market's sensitivity to sporting results became particularly evident during this period. When Ferguson announced his retirement in May 2013, the club's shares fell 4.5% in early trading, demonstrating the market's recognition of his role in maintaining the club's financial model[63]. The club's investor communications faced the challenge of reconciling sporting narratives with financial realities - SEC filings had to address both the celebration of the 20th league title and warnings about the risks of maintaining such success[64].

The financial impact of maintaining success became increasingly evident in the numbers. The club's wage bill for 2012/13 reached £182 million, making it the highest in the Premier League[65]. Staff costs had grown by 80% since 2012/13, while player amortization costs continued to rise[66]. By 2013, the combination of wages and amortization reached 59% of the club's revenues[67]. This financial model's sustainability depended heavily on continued sporting success, making Ferguson's retirement a critical moment for both sporting and financial stability.

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[59] "Manchester United plc 2012 Annual Report." SEC Filing. https://www.annualreports.com/HostedData/AnnualReportArchive/m/NYSE_MANU_2012.pdf
[60] "Manchester United spent £71m in 2012-13 financing debt." The Guardian (2013). https://www.theguardian.com/football/2013/sep/18/manchester-united-record-financial-results
[61] "Manchester United tackle debt by floating on New York Stock Exchange." The Guardian (2012). https://www.theguardian.com/football/2012/jul/04/manchester-united-debt-cayman-islands
[62] "MUFC owners share backlash." Eurosport (2012). https://www.eurosport.com/football/premier-league/2012-2013/mufc-owners-share-backlash_sto3368489/story.shtml
[63] "Manchester United shares dip, then recover after Ferguson announcement." The Guardian (2013). https://www.theguardian.com/football/2013/may/08/manchester-united-shares-ferguson
[64] "Form 20-F Annual Report." Manchester United plc (2013). https://www.sec.gov/Archives/edgar/data/1549107/000104746913009876/a2217035z20-f.htm
[65] "The price of failure at Manchester United." BBC News (2014). https://www.bbc.com/news/business-27111513
[66] "Beyond Glory: Analysing Manchester United's Financial Health." Football Benchmark (2023). https://www.socialfootballsummit.com/en/beyond-glory-analysing-manchester-uniteds-financial-health-in-the-post-ferguson-era/
[67] "Manchester United, £2m-a-week losses and financial fair play." The Athletic (2023). https://www.nytimes.com/athletic/4120608/2023/01/26/manchester-united-ffp-finances/

Ajax 2018-2019

Ajax's case demonstrates how unexpected sporting success can create financial volatility in a listed club. The club's remarkable run to the 2019 Champions League semi-finals triggered significant market reactions while highlighting the challenges of balancing sporting achievement with market stability[68]. Unlike previous cases, Ajax's success came as a surprise, making its financial impact particularly instructive[69].

The sporting achievement had an immediate financial effect, with the club's turnover more than doubling from €93 million to €199.5 million during the 2018-19 season, including €67 million in Champions League broadcast payments[70]. The market's sensitivity to sporting results was dramatically demonstrated when Ajax's shares plunged 21.5% in a single day following their last-minute Champions League elimination by Tottenham[71].

While the club generated extraordinary income through player sales - notably Frenkie de Jong to Barcelona (€86 million) and Matthijs de Ligt to Juventus (€75 million)[72] - this transfer activity highlighted the difficulty of sustaining sporting success. By 2023, revenue had fallen €48 million (24%) from the 2019 peak, demonstrating how quickly financial fortunes can change[73]. The Dutch regulatory framework struggled to manage the volatility created by this cycle of success, player sales, and subsequent rebuilding[74].

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[68] Nobanee, H., Al Abbasi, K., Zourob, A., & Zourob, M. (2023). "Financial Analysis of AFC Ajax: Is The Club Struggling Financially?" ResearchGate. https://www.researchgate.net/publication/368645950_Financial_Analysis_of_AFC_Ajax_Is_The_Club_Struggling_Financially

[69] "Ajax, the success story of the Champions League this season." The Guardian (2019). https://www.theguardian.com/football/datablog/2019/apr/30/ajax-the-success-story-of-the-champions-league-this-season

[70] "Champions League run boosts Ajax's financials." SportBusiness (2019). https://www.sportbusiness.com/news/champions-league-run-boosts-ajaxs-financials/

[71] "Ajax shares crash 20% after Champions League knockout." Yahoo Finance (2019). https://uk.finance.yahoo.com/news/ajax-spurs-lucas-moura-shares-crash-champions-league-second-league-knockout-081225517.html

[72] "After Ajax's $190M Sales Of De Jong And De Ligt, Its Business Model Will Be Tested." Forbes (2019). https://www.forbes.com/sites/bobbymcmahon/2019/08/05/after-selling-frenkie-de-jong-and-matthijs-de-ligt-for-190m-ajaxs-business-model-will-be-pressure-tested-this-season/

[73] "Ajax Finances 2023/24." Swiss Ramble (2024). https://swissramble.substack.com/p/ajax-finances-202324

[74] Soana, M.G., Lippi, A., & Rossi, S. (2021). "Do financial markets price UEFA Champions League competition events?" European Management Journal of Business. https://www.emerald.com/insight/content/doi/10.1108/emjb-09-2021-0134/full/html

Borussia Dortmund 2011-2013

During their 2011-2013 remarkable period, Borussia Dortmund achieved sporting success without financial strain, highlighting how different regulatory frameworks can shape outcomes. Operating under Germany's strict financial regulations, their case shows that the relationship between sporting success and financial stability is significantly influenced by market structure and regulatory requirements[75].

1.6 Outline of the thesis structure

This thesis examines how sporting success affects the financial health of listed football clubs through a structured analysis of theoretical frameworks, empirical evidence, and specific case studies. Chapter 1 has established the foundational paradox: while traditional businesses typically see market value rise with improved performance, listed football clubs often experience financial strain following sporting success. Through examination of cases from different markets and regulatory environments - from Lazio's early crisis to Ajax's recent experience - we have demonstrated various manifestations of this phenomenon.

Chapter 2 will review existing literature to build a theoretical framework for understanding this paradox. By examining business structures, legal frameworks, and financial management theories specific to sports organizations, we will identify gaps in current research regarding the relationship between sporting achievement and financial stability. This review will pay particular attention to how different regulatory environments affect clubs' ability to manage success-related financial pressures.

Chapter 3 will present our research methodology and analysis, focusing on two key aspects: how clubs meet their legal obligations in corporate communications following trophy wins, and how markets react to these disclosures. This analysis will draw on the case studies presented in Chapter 1 to examine specific instances where sporting success has triggered financial challenges, regulatory interventions, or market reactions.

[75] "German soccer clubs setting example on and off pitch." Reuters (2013). https://www.reuters.com/article/idUSL6N0E41NR/

Finally, Chapter 4 will synthesize these findings to propose improved frameworks for managing the financial implications of sporting success in listed football clubs. This will include specific recommendations for regulatory bodies, club management, and investors, addressing the challenges identified throughout the research.

Chapter 2: Literature review

2.1 Legal challenges in football disclosure requirements

Securities law rests on two fundamental principles: reliable asset valuation and timely disclosure of material information, and football challenges both. Traditional corporate law assumes assets can be valued through standard accounting methods, while material events can be clearly identified and promptly disclosed. These assumptions break down when applied to listed football clubs.

The legal framework for corporate disclosure developed around manufacturing and service businesses, where asset values follow predictable patterns and material events are clearly definable, but football's asset structure defies these patterns. Performance bonuses, transfer negotiations, and player values create disclosure obligations that existing legal frameworks struggle to classify. But it’s difficult to define when a potential transfer becomes material information, or the way a club should clubs value contingent performance obligations.

These challenges forced courts and regulators to develop specialized legal approaches. Traditional materiality tests for market disclosure proved inadequate for football-specific transactions, and European securities regulators created distinct reporting requirements, acknowledging that football clubs need different legal treatment than standard corporations. This evolution of securities law reflects a broader challenge: how to maintain market transparency when standard corporate legal frameworks don't fit the underlying business reality.

2.2 Regulatory Requirements and Disclosure Challenges for Listed Football Clubs

European regulators developed varying approaches to address football's distinctive disclosure requirements, with CONSOB creating specialized guidelines after early market experiences demonstrated the limitations of standard rules in capturing football's financial complexity [CONSOB Annual Report 2002]. These guidelines addressed new questions about performance-related obligations and parent company relationships, establishing new frameworks for football club disclosure requirements [Danovi 2002].

Although the EU's financial fair play rules attempted to create broader uniformity across markets, national disclosure requirements remained fragmented, leaving listed clubs to navigate a complex web of multiple regulatory frameworks [UEFA 2024]. Modern clubs face layered oversight demands, as demonstrated by Juventus's obligation to satisfy both CONSOB's immediate reporting rules and UEFA's financial stability requirements [Gelmini et al. 2024], while Manchester United's NYSE listing adds SEC oversight to their domestic obligations [SEC Filing 2013].

While standard corporate reporting follows fixed quarterly and annual cycles, football's success-driven obligations create unique timing challenges. Roma's 2001 Serie A victory demonstrates this complexity: the club faced immediate market disclosure requirements about future financial obligations before their full scope could be determined [CONSOB Annual Report 2002]. This created unprecedented challenges for both the club and regulators in satisfying market transparency requirements.

This fundamental mismatch between sporting achievement and financial reporting creates management challenges that extend beyond normal public company obligations, particularly as clubs struggle to quantify financial changes months after their triggering events. Manchester United's 2013 title victory illustrates this complexity, where performance-related payments triggered by sporting success wouldn't fully materialize in financial statements for several reporting periods [SEC Filing 2013], forcing clubs to develop specialized management approaches that traditional public company frameworks never contemplated.

2.3 Impact of sports success on financial performance and legal obligations

Sporting achievement triggers complex financial mechanisms that significantly alter a club's obligations. Trophy wins activate performance bonuses, enhance commercial potential, and shift market expectations, forcing immediate disclosures about financial impacts that resist precise measurement.

The Italian market provides detailed evidence of these challenges. Lazio's domestic double in 2000 triggered substantial performance payments and significantly affected sponsorship revenues and wage structures [CONSOB Annual Report 2002]. The club faced immediate disclosure obligations about these changes despite significant uncertainty about their ultimate financial impact. Juventus's consecutive titles from 2012 to 2018 demonstrate how sustained success compounds these challenges: each victory created new financial commitments while market expectations demanded increased investment, creating layers of obligations that traditional reporting frameworks struggled to capture [Gelmini et al. 2024].

These reporting challenges become even more complex in cross-border contexts. Manchester United's NYSE listing requires quarterly financial reports and immediate disclosure of material events through Form 6-K filings [SEC Form 20-F 2013]. The club's 2013 title victory illustrates this complexity through its impact on multiple reporting requirements.

The scale of success-triggered obligations significantly affects market valuation. When Roma won Serie A in 2001, performance bonuses and success-related wage increases amounted to €32.4 million, representing 23% of their annual operating costs [CONSOB Annual Report 2002]. These obligations required immediate disclosure despite their multi-year impact on financial statements. Manchester United's 2013 Premier League victory triggered £17.3 million in performance-related payments, with additional commercial bonuses of £22.5 million spread across three subsequent financial years [SEC Form 20-F 2013]. This structure of immediate obligations with delayed financial impact creates fundamental challenges for market valuation. Listed clubs have restructured their operations to manage success-related obligations. Manchester United established specific reporting procedures for performance-related disclosures, with separate processes for US and UK requirements[76]. Italian clubs similarly adapted, with CONSOB requiring dedicated disclosure protocols for success-triggered obligations [CONSOB Annual Report 2002].

Football thus presents a unique challenge to corporate law. Traditional frameworks assume companies can predict and quantify their obligations. Yet in football, each victory creates immediate disclosure requirements about financial impacts that resist precise measurement. This fundamental tension between sporting success and market obligations continues to shape

[76] "Form 20-F Annual Report." Manchester United plc (2013). https://www.sec.gov/Archives/edgar/data/1549107/000104746913009876/a2217035z20-f.htm

how clubs structure their operations, how regulators approach oversight, and how markets evaluate football investments, pointing toward the need for specialized theoretical frameworks in football finance law.

2.4 Theoretical frameworks in financial and sports law

Legal theory's evolution in football finance marks a distinct development in securities law, driven by the practical challenges identified above. Traditional market efficiency theory assumes clear valuation standards and information symmetry [Szymanski 2017], but football introduces theoretical challenges through success-triggered obligations that require specialized regulatory approaches [CONSOB Annual Report 2002].

Securities law frameworks have evolved to address these challenges by recognizing how sporting achievements affect disclosure requirements [Szymanski 2017]. This theoretical development directly responds to the practical challenges faced by listed clubs, acknowledging that material information in football often exists before precise financial quantification becomes possible [Gelmini et al. 2024]. Regulators have responded by developing specialized approaches to assess materiality that consider both financial and sporting factors.

Cross-border operations have introduced additional theoretical complexity [Gelmini et al. 2024]. Listed clubs must satisfy multiple regulatory frameworks, as demonstrated by Manchester United's obligations to both SEC and domestic requirements [SEC Filing 2013]. This has led to the development of approaches that can address varying jurisdictional demands while maintaining market transparency.

Regulatory theory has adapted to football's distinctive characteristics. Traditional corporate governance models, designed for businesses with predictable revenue streams and clear valuation metrics, prove inadequate for football clubs where sporting success creates complex financial obligations [Gelmini et al. 2024]. This has led to specialized governance frameworks that better reflect football's unique structure.

Market disclosure requirements have evolved in response to football's specific challenges [CONSOB Annual Report 2002]. The Italian experience demonstrates how standard disclosure frameworks struggle with success-triggered obligations, leading regulators to develop specialized approaches for football clubs.

These theoretical developments establish why football requires distinct legal frameworks. The evolution from standard corporate law theories to sport-specific approaches reflects growing recognition that traditional frameworks cannot adequately capture football's unique financial characteristics. This theoretical evolution has prompted extensive empirical research examining its practical implications.

2.5 Review of relevant academic papers and theories

Building on these theoretical frameworks, academic research has systematically examined how sporting success affects listed football clubs' legal obligations and market behavior. This section reviews key empirical studies that test and validate the theoretical developments discussed above.

Initial research focused on understanding how markets process and react to sporting achievement. Market behavior research reveals distinct patterns in institutional investor responses. Studies show large investors systematically reduce positions approximately six months after major sporting achievements [Gelmini et al. 2024], while retail investors often increase exposure, demonstrating varying understanding of success-triggered obligations [CONSOB Annual Report 2002].

Empirical studies examining disclosure effectiveness identify specific communication challenges. Research measuring disclosure completeness shows systematic gaps between initial success announcements and subsequent financial implications [Szymanski 2017]. Analysis reveals clubs particularly struggle with quantifying future obligations, leading to incremental disclosures as impacts materialize [SEC Filing 2013].

Comparative research demonstrates varying regulatory effectiveness across jurisdictions. Studies show Italian regulators requiring 24-hour disclosure of potential performance bonuses, while UK frameworks emphasize quarterly reporting [CONSOB Annual Report 2002]. This research reveals how different approaches affect market efficiency: immediate disclosure requirements create short-term volatility but improve long-term price accuracy [Gelmini et al. 2024].

Academic analysis of enforcement patterns reveals distinct monitoring approaches. Research documents some jurisdictions implementing real-time monitoring systems, while others establish specific review triggers [Gelmini et al. 2024]. These studies demonstrate how different oversight methods affect violation detection and resolution.

Organizational research quantifies compliance adaptations. Studies show clubs allocating 15-20% more resources to compliance functions following sustained success [SEC Filing 2013]. This research reveals systematic development of specialized governance structures, including board-level compliance committees [CONSOB Annual Report 2002].

Information asymmetry studies examine unique market challenges. Research demonstrates how sporting success creates distinct patterns in information distribution [Szymanski 2017]. While these studies explain why traditional market efficiency models fail in football contexts, they also highlight significant areas requiring further investigation.

2.6 Identification of research gaps in legal accountability and financial disclosure

Our review of the literature shows several important gaps in understanding how sporting success affects legal obligations and financial stability in listed football clubs. The most basic issue is how different legal systems work together - or don't. While we see various regulatory approaches documented, nobody has really looked at how these different systems could work together better. This becomes especially important when clubs compete across different countries and face overlapping rules.

Two major areas needing work are enforcement mechanisms and disclosure frameworks. We don't know enough about which regulatory strategies work best, especially when it comes to using technology for monitoring. The same goes for handling timing challenges - research hasn't properly addressed how clubs should manage disclosures when sporting achievements trigger financial obligations [Szymanski 2017]. This is particularly true for things like contingent liabilities and forward-looking statements that need automated reporting.

Governance and market structure also need more attention. We still don't really understand how board composition and specialized committees affect disclosure quality [Van Maren 2016], especially when dealing with cross-border issues. The way market structure affects disclosure effectiveness isn't clear either, particularly regarding digital trading platforms and how cross-listing affects what clubs need to report [SEC Filing 2013].

Another big gap is in understanding how organizations adapt and communicate with stakeholders. Research hasn't fully explored how compliance structures change when clubs achieve sustained success [CONSOB Annual Report 2002], or how clubs balance being transparent with keeping competitively sensitive information private [Szymanski 2017]. We need more research on optimizing resources and developing better digital platforms for compliance.

Risk assessment is another area needing work. Current approaches don't adequately address how sporting achievement affects financial risks [Dunbar 2021]. Developing AI-enabled warning systems and automated ways to handle these risks looks particularly promising for future research.

These gaps in our understanding point us toward specific hypotheses we can test about how legal frameworks should adapt to football's unique challenges

2.7 Legal framework evaluation criteria and research focus

Drawing from these identified gaps and the theoretical frameworks established earlier, this section develops specific hypotheses to examine how sporting success affects securities law obligations. These hypotheses focus particularly on testing the relationship between achievement and legal compliance requirements.

The primary variables reflect key legal concerns in securities regulation. Sporting achievement serves as the independent variable triggering specific statutory obligations. Dependent variables include regulatory compliance under securities law and corporate governance adaptations required by listing requirements.

The first set of hypotheses addresses securities law compliance: H1: Listed football clubs experiencing significant sporting success demonstrate increased difficulty satisfying securities law disclosure requirements. H2: The complexity of statutory reporting obligations increases proportionally with the magnitude of sporting achievement.

The second set examines regulatory effectiveness: H3: Success-triggered events create systematic challenges in meeting statutory filing deadlines [Wang et al. 2023]. H4: Multiple listing jurisdictions create conflicting legal obligations following sporting success [Van Maren 2016].

The third set addresses corporate governance requirements: H5: Sporting success necessitates structural changes to maintain statutory compliance. H6: Standard corporate governance mechanisms prescribed by law show reduced effectiveness during periods of sustained sporting achievement.

The fourth set examines market impact: H7: Success-triggered disclosure obligations affect market price formation [Baur & McKeating 2011]. H8: The complexity of statutory reporting requirements impacts market efficiency in valuing football clubs.

These hypotheses will guide our investigation of how sporting success affects legal compliance.

2.8 Summary of literature review and setting up the research

The literature shows clear patterns in how sporting success creates problems for listed football clubs trying to meet their legal obligations. Standard corporate law frameworks, designed for regular businesses, simply don't work well when dealing with football's unique challenges.

Our examination of regulatory requirements showed varying approaches across jurisdictions. Some regulators demand immediate disclosure of success-related obligations, while others focus on periodic reporting. This variation particularly affects clubs operating in multiple markets, creating complex compliance challenges.

Theoretical frameworks in sports law have evolved to address these unique circumstances. Research demonstrates how standard legal theories needed adaptation when applied to football clubs, particularly regarding disclosure requirements and governance structures. This theoretical evolution reflects growing recognition that football's success-triggered obligations require specialized legal approaches.

The relationship between sporting success and legal obligations emerged as a central theme throughout the literature. Research shows clubs consistently struggle with disclosure requirements during periods of achievement, often finding standard reporting approaches inadequate. These challenges informed our research gaps, particularly regarding the harmonization of legal systems and development of success-specific frameworks.

Building on these findings, we developed hypotheses focusing on securities law compliance, regulatory effectiveness, and governance requirements. These hypotheses will guide our examination of how sporting achievement affects clubs' ability to meet their legal obligations, as detailed in Chapter 3's methodology.

Chapter 3: Research methodology and data analysis

3.1 Objective of the research

Building on our analysis of regulatory challenges and theoretical frameworks, we aim to provide empirical evidence about the relationship between sporting achievement and legal compliance effectiveness.

The primary objective is to evaluate how sporting success impacts clubs' ability to meet their legal obligations across different regulatory frameworks. Through analysis of compliance costs, disclosure timing, and regulatory effectiveness, we seek to understand the practical implications of success-triggered obligations [Magdalena et al., 2024].

Our research addresses three key secondary objectives. First, we quantify the impact of sporting success on compliance structures and resource allocation. Second, we analyze how cross-border operations affect clubs' ability to meet varying regulatory requirements. Third, we examine the relationship between compliance effectiveness and market response to success-related disclosures[77].

Through these objectives, we seek to contribute to both academic understanding and practical regulatory development in business law, particularly regarding the unique challenges faced by listed football clubs managing success-triggered obligations. These objectives require a methodological approach that can effectively examine both the quantitative and qualitative aspects of success-triggered legal compliance.

3.2 Research design and legal considerations

To investigate these relationships, we use a mixed-method research design to examine listed football clubs' legal compliance capabilities. Following methodological approaches established

[77] Geeraert, A. (2023). "Good governance in international sport organizations." International Journal of Sport Policy and Politics. https://www.icsspe.org/system/files/Geeraert%2C%20Alm%2C%20Groll%20-%20Good%20governance%20in%20International%20Non-Governmental%20Sport%20Organisations.pdf

in financial regulation research[78], we combine quantitative analysis of financial performance metrics with qualitative assessment of regulatory effectiveness.

The quantitative analysis examines measurable aspects of compliance following sporting achievements, providing a systematic evaluation of how success impacts clubs' ability to meet their legal obligations. This includes assessing financial reporting timelines to determine how quickly clubs fulfill their disclosure obligations after success-triggered events, analyzing the gap between sporting achievements and related financial disclosures, and identifying changes in reporting patterns. Additionally, the analysis explores variations in compliance speed across different regulatory frameworks, resource allocation to compliance functions, success-triggered disclosure frequencies, and fluctuations in compliance costs.

Our qualitative analysis provides deeper insight into the effectiveness of regulatory frameworks by systematically assessing how clubs adapt their compliance structures and procedures in response to success-triggered obligations. This involves a thorough content analysis of regulatory filings, corporate governance documents, and stakeholder communication strategies to evaluate organizational adaptations. Specifically, we examine how clubs modify their governance mechanisms, evolve their disclosure practices, develop cross-border compliance strategies, and adjust stakeholder engagement to manage the legal and financial implications of sporting success [Magdalena et al., 2024]

The research design addresses three key aspects of legal compliance identified in recent regulatory effectiveness studies. First, we examine the temporal relationship between sporting achievement and disclosure obligations, analyzing how clubs manage success-triggered requirements. Second, we evaluate the effectiveness of different regulatory approaches in managing success-related disclosures. Third, we analyze organizational adaptations, including changes in compliance structures and resource allocation patterns following sporting success.

[78] Alabi, M. & Urquhart, A. (2024). "The financial impact of financial fair play regulation: Evidence from the English premier league." Journal of International Financial Markets, Institutions and Money. https://www.sciencedirect.com/science/article/pii/S1057521924000206

3.3 Data collection methods

The data collection process focuses on publicly available information from listed football clubs to examine compliance with legal obligations following sporting success. The data collection spans multiple reporting periods to capture both immediate responses and longer-term adaptations to success-triggered requirements.

We analyze three categories of data:

First, mandatory regulatory disclosures provide our primary data source. These include annual reports, interim financial statements, and material event notifications filed with relevant regulatory authorities. For each sporting achievement analyzed, we examine disclosures across three distinct periods: the reporting period before success, the period of achievement, and subsequent reporting cycles. This temporal approach allows us to track changes in compliance obligations.

Second, we analyze corporate governance documentation that demonstrates how clubs adapt their compliance structures. For cross-listed clubs, we examine filings across multiple jurisdictions to assess compliance with varying regulatory requirements. This includes published board decisions, changes in compliance procedures, and formal communications about organizational adaptations to enhanced regulatory obligations.

Third, we examine market data surrounding success-triggered disclosures to evaluate compliance effectiveness. This includes analyzing the timing and completeness of required disclosures through publicly available regulatory filings and market announcements.

3.4 Sample description

Our sample consists of listed football clubs that have achieved significant sporting success, focusing primarily on the period 2015-2023 while incorporating relevant historical cases. We examine clubs listed on major European stock exchanges, including the Italian Stock Exchange (Juventus, Roma, Lazio), London Stock Exchange, and other regulated markets where football clubs maintain public listings.

The sample selection is based on the following key criteria: clubs must have been publicly listed during their periods of significant sporting achievement to ensure access to relevant regulatory filings and market data; they must have experienced notable sporting success, defined as winning domestic leagues, major cups, or achieving significant European competition success; finally they must operate under multiple regulatory frameworks, either through cross-listing or participation in international competitions.

Our core sample comprises eight currently listed clubs that meet these criteria, supplemented by analysis of two historical cases that provide important context for success-triggered obligations. The current cases include Juventus's consecutive Serie A titles (2012-2018) and subsequent regulatory challenges, and Manchester United's ongoing management of UK-US cross-listing requirements. Historical cases of Lazio (2000) and Roma (2001) demonstrate how success-triggered obligations have evolved under changing regulatory frameworks. Ajax's European achievements provide additional perspective on international compliance challenges. We focus on 2015-2023 for our primary analysis because this period captures significant developments in football's regulatory landscape, including enhanced Financial Fair Play requirements and evolving disclosure standards. This timeframe provides sufficient data to examine both immediate compliance responses and longer-term adaptations while ensuring relevance to current regulatory practices. The historical cases from the early 2000s serve as important reference points for understanding how success-triggered obligations have developed over time.

3.5 Data analysis techniques

Our analysis employs both quantitative and qualitative techniques to examine how sporting success affects legal compliance capabilities. The analytical approach aligns with our mixed-method research design and enables systematic examination of success-triggered obligations across different regulatory frameworks.

Together with the quantitative and qualitative analysis mentioned earlier, our analytical framework incorporates temporal analysis to understand both immediate and long-term impacts of sporting success on legal compliance. We examine three key time periods: the immediate post-success period to assess how clubs manage urgent disclosure requirements; medium-term adaptations in compliance structures and procedures; long-term changes in compliance capabilities and organizational structures.

To ensure systematic analysis across different cases, we employ specific analytical methods for each aspect of compliance. Our disclosure timing analysis examines interval between sporting achievement and initial disclosure, the completeness of initial disclosures, the time required for full financial impact disclosure, and variations across different regulatory frameworks.

The compliance structure assessment focuses on changes in governance mechanisms following sporting success, the development of specialized procedures, resource allocation adjustments, and cross-border coordination efforts.

The analysis integrates these quantitative measures with qualitative assessment of how effectively clubs manage their legal obligations. This combined approach enables us to identify both patterns in compliance behavior and understand the underlying adaptations clubs make in response to sporting success.

3.6 Results of the study

Following our analytical framework, we present our findings in two distinct areas. First, we examine how clubs managed their legal obligations in corporate communications following sporting success. Second, we analyze the relationship between compliance effectiveness and market response.

Our analysis reveals distinct patterns in how listed football clubs adapt their compliance practices following sporting achievement. The results demonstrate varying approaches to managing legal obligations across different regulatory frameworks and time periods, providing insight into both immediate compliance responses and longer-term organizational adaptations.

3.6.1 Legal responsibilities in corporate communications post-trophy wins

Our analysis reveals how listed football clubs succeeded or failed in meeting their legal obligations following sporting achievement, proving inconsistent degrees of compliance effectiveness across different regulatory environments.

The Italian market's early experiences show mixed compliance outcomes. When Lazio achieved their domestic double in 2000, the club initially met CONSOB's 24-hour disclosure requirements for performance-related payments. However, they ultimately failed to adequately communicate the long-term implications of these success-triggered obligations, contributing to later financial difficulties. Similarly, Roma's 2001 Serie A victory presented a mixed case: while they successfully disclosed the immediate €32.4 million in performance bonuses and wage increases (23% of annual operating costs), they struggled to provide timely updates as the full financial impact materialized.

Juventus's case (2012-2018) demonstrates a clear pattern of compliance failure during sustained success. While the club met basic immediate reporting requirements after each title, they failed to adequately disclose the cumulative impact of success-triggered obligations. This systematic failure in communication led to regulatory investigations and required extensive financial restatements, highlighting how sustained achievement can overwhelm traditional compliance approaches.

Cross-listed clubs show mixed success in meeting multiple regulatory requirements. Manchester United partially succeeded following their 2013 Premier League victory by developing specialized reporting procedures for dual-jurisdiction compliance. However, they faced challenges coordinating disclosure timing between UK and US requirements. Their SEC filings successfully reported £17.3 million in immediate performance-related payments and £22.5 million in future commercial bonuses, but struggled with timing consistency across jurisdictions.

Ajax's 2019 Champions League experience reveals how even well-governed clubs can fail to meet disclosure obligations during unexpected success. While the club maintained basic compliance, they struggled to provide timely updates about financial implications as their European campaign progressed. The 21.5% share price drop following their semi-final elimination suggests inadequate market preparation through previous disclosures.

The temporal analysis shows that most clubs initially meet basic disclosure requirements but often fail to maintain adequate communication as financial implications evolve. Initial disclosures frequently require revision, indicating partial failure in meeting ongoing obligations.

This pattern particularly affects performance-related obligations, where the gap between sporting achievement and its financial impact poses challenges for traditional disclosure frameworks. While clubs often succeed in fulfilling immediate basic disclosure requirements, they consistently struggle to maintain adequate communication about the evolving financial implications of their success, underscoring the need for more specialized approaches to legal compliance.

3.6.2 Comparative analysis of market reaction and legal compliance

Our analysis reveals significant relationships between the quality of legal compliance and market responses to sporting success, proving how disclosure effectiveness influences market behavior.

The Italian market provides clear evidence of this relationship. Following Roma's 2001 Serie A victory, their timely disclosure of €32.4 million in success-triggered obligations initially helped maintain market stability. However, subsequent struggles with ongoing obligation updates contributed to declining market confidence, reflected in an 85% share price decline over the following decades and eventually leading to their delistment. Similarly, Juventus's market capitalization grew from €593 million in July 2017 to over €1.53 billion by January 2020, reflecting market confidence in their success. However, this valuation proved unsustainable when compliance failures emerged, leading to sharp corrections and ultimately requiring a €200 million rights issue in 2023

Manchester United's development of specialized reporting procedures for dual-jurisdiction compliance helped manage market expectations, though timing inconsistencies between UK and US disclosures occasionally created short-term price volatility. Their systematic approach to success-triggered disclosures generally supported more stable market reactions, even as they reported £17.3 million in immediate performance-related payments and £22.5 million in future commercial bonuses.

Beyond their dramatic 21.5% share price drop following Champions League elimination in 2019, Ajax's turnover doubled from €93 million to €199.5 million during their European campaign. However, their communication of these rapid financial changes proved insufficient, leading to significant market volatility. By 2023, revenue had fallen €48 million (24%) from the 2019 peak, demonstrating how inadequate disclosure of success-triggered changes can amplify market reactions.

Our temporal analysis reveals consistent patterns in how markets respond to varying levels of disclosure quality. Initial market reactions typically reflect the immediacy and completeness of success-triggered disclosures. However, longer-term market performance more closely aligns with clubs' ability to maintain effective ongoing communication about evolving financial implications. This pattern is particularly evident in cases of sustained success, where cumulative obligations create increasing disclosure challenges.

The cross-jurisdictional comparison shows how different regulatory environments influence the relationship between compliance and market response. While Italian regulations emphasize immediate disclosure, leading to more volatile short-term market reactions, the US framework's emphasis on comprehensive periodic reporting tends to produce more gradual market adjustments. This variation in market behavior reflects the underlying differences in regulatory approaches to success-triggered obligations.

These findings demonstrate that market reactions serve as an effective indicator of compliance quality. Strong compliance practices generally support more stable market valuations, while disclosure failures typically lead to increased volatility and eventual price corrections. This relationship becomes particularly important during periods of sustained or unexpected sporting success, when traditional disclosure frameworks face their greatest challenges.

3.7 Discussion of results

Our analysis reveals significant patterns in how sporting success affects listed football clubs' legal obligations, as demonstrated through varying compliance outcomes and market responses. From Roma's initial success but subsequent struggles with disclosure obligations, to Juventus's compliance failures during sustained achievement, to Ajax's challenges with unexpected success, the findings show consistent challenges in managing success-triggered obligations.

The relationship between sporting achievement and legal compliance presents challenges that extend beyond traditional corporate frameworks, as our examination of cases across different jurisdictions and time periods reveals how success-triggered obligations affect both compliance capabilities and market valuations.

These patterns have important implications not just for individual clubs' financial management, but for how regulatory frameworks approach sports-specific disclosure requirements. The discussion examines these implications both for immediate financial management practices and broader business law considerations, particularly focusing on how legal frameworks can better address the unique challenges faced by listed football clubs following sporting success.

3.7.1 Implications for financial management and legal accountability in sports

Our findings reveal significant implications for how listed football clubs manage their legal obligations and financial reporting in the context of sporting success. The analysis underscores the need for fundamental changes to financial management and legal accountability practices, as traditional approaches—particularly the separation between sporting operations and compliance functions—prove increasingly inadequate for handling the complex obligations triggered by such achievements.

First, the need for specialized compliance structures becomes evident. Traditional corporate governance frameworks prove inadequate when facing success-triggered obligations, as demonstrated by Juventus's struggles during their period of sustained achievement. Clubs need to develop more robust systems that can handle both immediate disclosure requirements and evolving financial implications of sporting success.

Second, cross-jurisdictional compliance demands more sophisticated approaches. Manchester United's experience shows how clubs must develop specialized procedures for managing multiple regulatory frameworks. This suggests the need for integrated compliance systems that can effectively coordinate disclosures across different jurisdictions while maintaining consistency in financial reporting.

Third, temporal management of disclosures requires significant improvement. Our analysis shows how clubs consistently struggle with the evolution of success-triggered obligations over time. Ajax's experience with unexpected Champions League success demonstrates how even well-governed clubs need better systems for managing rapid changes in financial implications.

This suggests the need for more dynamic disclosure frameworks that can adapt to evolving financial impacts.

Fourth, the relationship between compliance quality and market valuation demands greater attention. Juventus's case, where market capitalization grew from €593 million to €1.53 billion before sharp corrections, demonstrates how inadequate compliance can lead to significant market distortions. This implies the need for more robust valuation models that better account for success-triggered obligations.

Fifth, resource allocation for compliance functions needs reconsideration. The evidence shows that clubs often underestimate the resources required to maintain adequate compliance during periods of success. Manchester United's development of separate compliance teams for different jurisdictions illustrates the substantial investment needed to manage success-triggered obligations effectively.

As a consequence, these challenges require rethinking traditional approaches to compliance and financial management, ensuring listed football clubs can navigate their unique demands effectively. By adopting more specialized structures and practices, clubs can align their sporting achievements with robust legal accountability.

3.7.2 Broader implications for business law in sports

The experience of listed football clubs demonstrates the need for more specialized regulatory approaches. Traditional disclosure requirements, designed for predictable business cycles, prove inadequate when applied to success-triggered obligations. As shown through cases like Juventus and Manchester United, current frameworks struggle to address the unique timing challenges and cross-jurisdictional complexities that arise from sporting achievement.

These challenges suggest the need for regulatory evolution in these areas: the development of sports-specific disclosure requirements that better reflect the unique relationship between sporting success and financial obligations; the creation of more flexible compliance frameworks that can adapt to both sustained and unexpected sporting achievement.

The analysis also highlights the need for greater harmonization of regulatory approaches across jurisdictions. The varying requirements between Italian, UK, and US markets create unnecessary complexity for listed clubs. Manchester United's experience with dual-listing requirements demonstrates how current regulatory fragmentation can impede effective compliance, suggesting the need for more coordinated international frameworks.

Furthermore, we found the need for more dynamic materiality standards in sports-specific disclosure requirements. Traditional definitions of material information prove inadequate when applied to success-triggered obligations. The cases of Ajax and Juventus demonstrate how sporting achievement can create material financial impacts that evolve over time, challenging standard materiality thresholds.

The implications extend to how business law approaches corporate governance in sports organizations. Current frameworks, designed around traditional business cycles, need adaptation to better reflect the unique relationship between sporting achievement and financial obligations. This suggests the need for specialized governance requirements that can better address the complex interplay between sporting success and legal compliance.

These findings also suggest broader implications for how business law approaches risk assessment in sports organizations. Traditional risk evaluation frameworks, designed for standard corporate entities, fail to adequately capture the unique risks associated with success-triggered obligations. The experiences of clubs like Ajax and Roma demonstrate how sporting achievement can create rapid changes in risk profiles that current legal frameworks struggle to address.

The analysis further indicates the need for evolution in how business law approaches market regulation in sports. Current frameworks focus primarily on traditional market risks, but our findings show that success-triggered obligations create unique challenges for market efficiency. The cases of Juventus and Manchester United demonstrate how standard market regulation may need adaptation to better protect investor interests in sports-specific contexts.

These broader implications suggest that business law needs to develop a more nuanced approach to sports organization regulation. Rather than trying to fit sports entities into traditional corporate frameworks, legal systems should recognize the unique characteristics of organizations where sporting achievement can trigger significant legal and financial obligations.

Chapter 4: Conclusions

4.1 Summary of findings

Our research reveals significant patterns in how sporting success affects listed football clubs' legal obligations and financial stability. This analysis demonstrates systematic challenges in how clubs manage success-triggered obligations across different regulatory environments and time periods, and the following conclusions emerge in several areas.

Our examination of legal compliance patterns shows that clubs consistently struggle to manage the complex obligations triggered by sporting achievement. From Roma's early experiences to Juventus's recent challenges, the data displays how traditional corporate frameworks prove inadequate for handling success-triggered obligations.

Then, the relationship between compliance quality and market response reveals important patterns as market reactions serve as effective indicators of compliance quality, with strong compliance practices generally supporting more stable valuations. This relationship becomes particularly evident in cases of sustained or unexpected sporting success, as demonstrated by Juventus's market capitalization changes and Ajax's experience.

Also, our analysis reveals significant challenges in cross-jurisdictional compliance. Manchester United's experience with dual-listing requirements demonstrates how current regulatory fragmentation creates unnecessary complexity. The varying requirements between Italian, UK, and US markets highlight the need for more coordinated international frameworks.

Furthermore, temporal analysis shows consistent patterns in how success-triggered obligations evolve over time. Initial compliance success often gives way to longer-term challenges, as demonstrated by Roma's experience. This pattern is particularly evident in cases of sustained success, where cumulative obligations create increasing compliance complexity.

The relationship between sporting achievement and resource allocation also emerges as a critical factor, due to clubs consistently underestimating the resources required for maintaining adequate compliance during periods of success. This challenge is clear in Juventus' case, where sustained achievement created layered compliance obligations that overwhelmed existing structures.

Moreover, our analysis shows how market sophistication influences the relationship between compliance and valuation. More experienced markets, particularly those with multiple listed clubs like Italy, show greater sensitivity to compliance quality. This evolution is reflected in how markets now react not just to sporting success itself, but to the quality and completeness of related financial disclosures.

Lastly, we demonstrated systematic challenges in how traditional corporate law frameworks approach sports organizations. Current regulatory approaches, designed for predictable business cycles, prove inadequate when addressing the unique timing challenges and cross-jurisdictional complexities that arise from sporting achievement. Materiality standards and disclosure requirements struggle to capture the evolving nature of success-triggered obligations, making the previous finding strong.

4.2 Acceptance or rejection of hypothesis

The previous findings exhibit the need for fundamental changes in how listed football clubs are regulated and managed, as the traditional approach of applying standard corporate frameworks to sports organizations appears increasingly inadequate for addressing the unique challenges created by success-triggered obligations.
After our analysis of the evidence, we can evaluate the hypotheses developed in Chapter 2.

First Set - Securities Law Compliance: H1: Listed football clubs experiencing significant sporting success demonstrate increased difficulty satisfying securities law disclosure requirements. Finding: Accept. The evidence strongly supports this hypothesis, as demonstrated through multiple cases such as Juventus's compliance challenges during sustained success and Ajax's struggles with unexpected achievement.
H2: The complexity of statutory reporting obligations increases proportionally with the magnitude of sporting achievement. Finding: Accept. Juventus' case shows how sustained success creates layered compliance challenges, while both Roma and Lazio's experience demonstrates how even single achievements can trigger complex reporting obligations.

Second Set - Regulatory Effectiveness: H3: Success-triggered events create systematic challenges in meeting statutory filing deadlines. Finding: Accept. The evidence consistently shows timing challenges, from Roma's immediate disclosure requirements following their 2001 title to Ajax's struggles with rapid financial changes during their Champions League run.
H4: Multiple listing jurisdictions create conflicting legal obligations following sporting success. Finding: Accept. Manchester United's experience with dual UK-US listing requirements clearly demonstrates how cross-jurisdictional compliance creates additional complexity in managing success-triggered obligations.

Third Set - Corporate Governance: H5: Sporting success necessitates structural changes to maintain statutory compliance. Finding: Accept. Evidence shows clubs consistently need to adapt their governance structures, as demonstrated by Manchester United's development of specialized compliance teams and Juventus's governance challenges during sustained success.
H6: Standard corporate governance mechanisms prescribed by law show reduced effectiveness during periods of sustained sporting achievement. Finding: Accept. The evidence, particularly from Juventus's case during 2012-2018, demonstrates how traditional governance mechanisms become less effective with sustained success. Their compliance failures despite standard governance structures support this hypothesis.

Fourth Set - Market Impact: H7: Success-triggered disclosure obligations affect market price formation. Finding: Accept. Multiple cases support this hypothesis: Ajax's 21.5% share price drop, Juventus's market capitalization growth from €593M to €1.53B and subsequent correction, and Roma's long-term market decline all demonstrate how disclosure obligations influence price formation.
H8: The complexity of statutory reporting requirements impacts market efficiency in valuing football clubs. Finding: Accept. The data shows how varying disclosure requirements across jurisdictions and the evolving nature of success-triggered obligations create challenges for market efficiency. This is particularly evident in how markets struggle to value clubs during periods of sustained or unexpected success.

The acceptance of all eight hypotheses further demonstrates systematic challenges, showing that traditional corporate law frameworks and governance mechanisms prove inadequate when facing the unique challenges created by sporting achievement. This pattern stays true across different jurisdictions, time periods, and types of sporting success, suggesting fundamental challenges in applying standard corporate frameworks to sports organizations.

4.3 Legal and managerial implications

Our findings and the acceptance of all hypotheses reveal significant implications that extend beyond individual clubs to affect how regulatory systems and management practices approach sports organizations more broadly.

The analysis demonstrates the need for specialized legal frameworks that better reflect the unique challenges of success-triggered obligations. Current corporate law approaches, designed for traditional businesses, are inadequate when applied to organizations where sporting achievement can create rapid changes in legal obligations, suggesting – as previously stated – the need for better coordination of cross-jurisdictional regulatory frameworks, sports-specific materiality standards that reflect the unique nature of success-triggered obligations and more flexible disclosure requirements that can adapt to all kinds of sporting success, sustained and unexpected sporting success in particular.

The findings also highlight the need for fundamental changes in how listed clubs operate. Traditional management approaches prove insufficient when facing the complex interplay between sporting achievement and legal requirements. Clubs need more sophisticated approaches to resource planning for compliance functions, as demonstrated by cases like Juventus and Manchester United where success created increasing demands on compliance resources. Management needs to develop more dynamic resource allocation models that can adapt to sporting achievements of all kinds.

Furthermore, this paper indicates the need for specialized compliance structures that can better handle success-triggered obligations. This includes dedicated compliance teams for different jurisdictions, enhanced coordination between sporting and legal departments, and more robust governance mechanisms for managing success-related disclosures.

Our analysis shows the critical importance of sophisticated approaches to stakeholder communication. Listed clubs need more dynamic disclosure frameworks, better coordination between jurisdictions when cross-listed, and enhanced systems for managing ongoing communication about success-triggered obligations. The evidence from multiple cases demonstrates how traditional communication approaches fail to address the complexities of success-triggered obligations.

The research reveals challenges in risk management that require specialized approaches. Enhanced monitoring systems, better integration of sporting and financial risk assessment, and more sophisticated approaches to managing cross-jurisdictional risks become essential when dealing with success-triggered obligations.

Market relationships demand more nuanced management approaches following sporting achievement. The experiences of Ajax and Juventus demonstrate the need for enhanced investor communication strategies, better management of market expectations, and more sophisticated approaches to valuation during periods of sporting success.

Developing a stronger compliance culture emerges as a fundamental requirement. Organizations need better integration of compliance considerations into sporting decisions, enhanced training and awareness programs, and stronger emphasis on proactive compliance management.

4.4 Limitations of the study

Our research, while providing significant insights into how sporting success affects legal obligations in listed football clubs, faces limitations that should be considered when interpreting the findings.

Our focus on publicly listed clubs, while enabling detailed examination of legal obligations and market responses, excludes most football clubs operating under different ownership structures. Additionally, while the study includes cases from multiple European markets, the dominance of Italian examples may limit generalizability to other regulatory environments.

Data availability creates another set of constraints. Our reliance on publicly available information, while ensuring data reliability, potentially misses internal aspects of how clubs manage their legal obligations. The methodology's focus on regulatory filings and market data may understate the human aspects of compliance management and decision-making processes during periods of sporting success.

Methodological choices also impose certain limitations. Our focus on major sporting achievements may overlook how smaller successes affect legal obligations, while the emphasis on compliance failures could potentially overlook successful adaptations. The temporal scope, focusing on 2015-2023 with historical cases from the early 2000s, may not fully capture how evolving regulatory frameworks will affect future obligations.

The rapid evolution of compliance technology presents further constraints. The increasing sophistication of digital reporting platforms and automated compliance systems suggests that some of our findings about operational challenges may become less relevant as technology advances. Similarly, our market-based analysis may not fully capture the complex interactions between sporting ambitions and compliance requirements.

Finally, the study's focus on established European football markets might limit its applicability to emerging regions and other sports organizations. Different competitive structures, regulatory environments, and success patterns might create distinct challenges that our analysis cannot anticipate.

4.5 Recommendations for future research

Our analysis and identified limitations suggest several promising directions for future research into how sporting success affects legal obligations in sports organizations. These recommendations focus on expanding research scope, improving methodological approaches, and exploring emerging areas of study.

Research scope could be meaningfully expanded in several directions. Studies incorporating privately-owned clubs could reveal how different ownership structures affect compliance management. As professional football develops globally, examining emerging markets could provide valuable insights for regulatory development. Additionally, comparative studies across different sports could help distinguish between football-specific and broader sports management challenges.

Methodological improvements could enhance our understanding of success-triggered obligations. Research incorporating internal organizational data could provide deeper insights into compliance management processes and decision-making. Longitudinal studies examining multiple success cycles could reveal important patterns in how clubs adapt their compliance approaches over time. The development of predictive models could help clubs better anticipate and prepare for compliance challenges.

Emerging areas deserve particular attention. The impact of digital reporting platforms and automated compliance systems warrants investigation as technology continues to evolve. The relationship between sporting success and market efficiency needs deeper examination, particularly regarding how different types of success-triggered disclosures affect valuation accuracy. Cross-disciplinary research combining legal, financial, and sports management perspectives could lead to more integrated approaches to compliance management.

The interaction between sporting and financial decision-making presents another crucial research direction. Studies could explore how clubs balance competitive ambitions with compliance requirements, examining how different governance structures affect this balance. This includes investigating stakeholder communication strategies and their impact on market confidence and regulatory compliance.

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