Sport, Business, Management: an International Journal

By the Fans, for the Future: Football Governance under Supporter Ownership

Journal:	*Sport, Business, Management: an International Journal*
Manuscript ID	Draft
Manuscript Type:	Research Paper
Keywords:	supporter ownership, football governance, scottish football, social entrepreneurship, sport management

By the Fans, for the Future: Football governance under Supporter Ownership

Abstract

Purpose
This paper explores the practical implications of community ownership in Scottish professional football, examining how governance, management, and strategic priorities evolve under supporter control.
Design/methodology/approach
The study draws on qualitative semi-structured interviews with key actors from SPFL clubs under supporter ownership. Data were analysed using thematic analysis, with overlapping themes refined into three integrated areas.
Findings
Community-owned clubs prioritise financial prudence, transparency, and community engagement, reframing football success as a by-product of stability and social value. However, persistent challenges include governance conflicts, volunteer fatigue, and tensions between supporter expectations and professional management.
Originality/value
The paper contributes to debates on alternative ownership models by providing rare empirical evidence on post-transition governance in supporter-owned clubs. It highlights the conditions enabling successful transitions, the fragility of the model, and lessons for policy, practice, and the wider football ecosystem.

Keywords: Supporter ownership, Football governance. Scottish football, Social entrepreneurship, Sport management

Introduction

Football clubs have long operated as complex social institutions, embedded within their local communities and shaped by deep-rooted attachments to place, identity, and tradition. Over the past three decades, however, the governance of professional football across Europe has been increasingly characterised by the ascendancy of market logics: growing commercialisation, global investment, and ownership models that prioritise performance over community value and financial sustainability (Franck, 2010), yet with financial deficits remaining widespread (UEFA, 2023; Storm & Nielsen, 2012). In this context, community ownership has emerged as a countervailing model, one that seeks to reassert football's social function and democratic accountability.

Among European professional leagues (outside countries with statutory collective ownership rules), Scotland has one of the highest proportions of clubs with majority or significant supporter/community ownership. As of 2024, at least eight SPFL clubs (Annan Athletic, Clyde, Greenock Morton, Hearts, Motherwell, Partick Thistle, St Mirren, and Stirling Albion) meet that criterion. Notably, these transitions have occurred without national legislative compulsion, suggesting that Scotland's football landscape offers fertile ground for examining the drivers and consequences of supporter ownership.

Within this paper we define a "fan-owned / community-owned" club as one where more than 50% of the voting rights of the club are controlled collectively by a democratic entity (i.e., incorporated on cooperative one member one vote principles) and which has an open and inclusive membership (i.e., where there are no substantial barriers to participate as a voting member, with membership open to all who are sympathetic to the aims of the club).

The two European countries most commonly cited as having statutory requirements for collective ownership are Germany and Sweden. Football Supporters Europe describe these statutory requirements as follows:

- In Germany, the German Football Association (DFB) stipulates that each club association must be the majority voting shareholder of the club's incorporated limited company. While legal structures vary, according to the DFB by-laws, members must ensure that even where individual stakeholders acquire 100% ownership of shares, they cannot control a majority of the voting rights. This model, also known as the 50+1 rule, gives supporters the legal right to maintain the control of the club, while permitting external investment and direct influence of minority shareholders (DFB, 2023).
- In Sweden, the Swedish Sport Federation (RF) requires that all sporting leagues and teams in Sweden must be majority owned by a non-profit, membership based, association. As a result, the majority of Swedish sports clubs are non-profits, with a few being companies owned by nonprofits, and all adhere to the laws surrounding charities and preservation of the non-profit status of the RF. This model, known as the ”51 % rule” in Swedish, gives supporters the legal right to maintain the control of the club and its bodies, while permitting external investment and direct influence of minority shareholders (Riksidrottsförbundet, 2023).

Supporter ownership in Scottish football has developed steadily since 2005, when Clyde FC became the first club to transfer into community hands after its Supporters Trust and investors acquired a majority shareholding to rescue the club from financial crisis (Supporters Direct & University of Stirling, 2009). Stirling Albion followed in 2010, with their Supporters Trust purchasing the majority stake and securing debt relief from the outgoing owner. Heart of Midlothian's transition began in 2014 when Ann Budge led the club out of administration and partnered with the Foundation of Hearts, which completed the move to fan ownership in 2021. Motherwell entered community ownership in 2016 and by 2020 had become debt-free for the first time in decades. St Mirren also shifted towards supporter control in 2016, with its fans' association completing a majority takeover by 2021 in partnership with local charity Kibble. Annan Athletic became the first Scottish club to incorporate as a Community Benefit Society in 2017, Greenock Morton passed into fan ownership through Morton Club Together in 2020, and Partick Thistle completed its transition in 2023 when supporters' groups assumed control of the PTFC Trust. .

The growth of community ownership in Scotland reflects both structural fragility and cultural continuity. In some cases, including Clyde and Hearts, supporter takeovers were driven by financial crisis, with fans acting as 'owners of last resort' to prevent collapse. In others, such as Morton, Motherwell, Partick Thistle, and St Mirren, the transition was a proactive effort to secure long-term sustainability and mitigate the risks of speculative ownership. These developments have been reinforced by enabling policy, notably the Community Empowerment (Scotland) Act 2015 and the

Scottish Government's 2023 "Fans Bank" loan scheme, alongside sustained advocacy by political actors such as the Scottish Green Party and the support of intermediary organisations like Supporters Direct Scotland.

In addition to the majority fan-owned Scottish clubs listed above, supporters have a significant (> 10%) ownership stake in a further five SPFL clubs (Airdrieonians, Dundee, Dunfermline Athletic, Falkirk, and Stenhousemuir), while outside the league system both Clachnacuddin and Gretna 2008 are wholly fan owned. Notably, the minority shareholding at Dunfermline Athletic helped to secure the club's survival following a period in administration in 2013 and continued until early 2025 when the club returned into private ownership, diluting the supporters' shareholding, but on terms that were acceptable to them. At Falkirk, the supporters' society were the first to access the "Fans Bank", enabling them to acquire around 25% of the club's shares within a structure they describe as a "three-legged stool" in which two other investor groups work alongside them, none of which own a controlling stake in the club. Both of these clubs demonstrate the potential for minority fan ownership to be the catalyst for a transition to stable operating models.

While supporter involvement in governance including ownership has gained traction in Scotland, other jurisdictions are moving towards statutory reform. In England, for example, the UK Parliament passed the Football Governance Act in July 2025, establishing an Independent Football Regulator aimed at improving financial oversight, safeguarding club heritage, and strengthening supporter voice (BBC Sport, 2025). Unlike in Germany or now England, Scotland's football governance remains largely unregulated at a statutory level. This absence makes the Scottish case all the more significant: supporter ownership has emerged and expanded without formal legal or financial scaffolding, suggesting an alternative governance pathway that warrants critical examination.

Despite this significant growth in fan ownership, there remains a paucity of empirical research examining how club governance and management actually change following such transitions. Much of the existing literature has focused either on the normative appeal of supporter ownership or on its legal and structural configuration. There has been comparatively limited attention to the lived realities of organisational change under this model, how clubs negotiate the competing demands of democratic participation, financial sustainability, professionalisation, and community accountability once ownership is transferred.

This paper addresses a gap in the literature by examining how governance and management practices change under community ownership in Scotland. Drawing on semi-structured interviews across five majority supporter-owned SPFL clubs and one minority supporter-owned club, it provides rich empirical insights into how governance is enacted, challenged, and reimagined. The analysis is informed by theoretical perspectives on hybrid governance, informal accountability, and social entrepreneurship, situating Scottish football within wider debates on ownership reform, hybrid organisational forms, and shifting boundaries of accountability in professional sport.

Literature Review

Changing logics and social entrepreneurship

Over the past three decades, the dominant logic in European professional football has shifted decisively towards market-based principles, typified by commercialisation, investor-led ownership, and globalisation (Franck, 2010). In this landscape, Scotland's growing cohort of community-owned clubs presents a contrasting logic, one rooted in democratic governance, social accountability, and community sustainability (Adams et al., 2017; Morrow, 2023).

Early Scottish clubs were established as member-owned associations, dedicated to the promotion of the game rather than profit (Vamplew, 1988; WGSIFC, 2015). The movement back towards supporter ownership can be interpreted as signalling a reassertion of football's social roots and as an alternative to the concentration of power in the hands of wealthy individuals or states (Morrow, 2023). This shift can be partly explained by necessity with many Scottish clubs lacking credible commercial investors. Indeed, several community ownership transitions occurred following financial crises (e.g., Clyde, Hearts and Stirling Albion). Yet, there is also a proactive agenda at work, with clubs choosing supporter ownership to embed community values and ensure long-term sustainability (Adams et al., 2024).The emphasis on the centrality of the social role of football clubs, and the willingness of the social movement of football supporters to take a lead on ownership has parallels with aspects of social entrepreneurship, where this refers to innovative approaches to satisfying social needs, including the failure of the market economy to deliver social value to some aspect of the public (Bjärsholm, 2017). In the distinct US context, sport entrepreneurship has been used as a lens to explore the novel concept of supporter ownership in football clubs (Smith & Smith, 2019). In the Scottish context, the willingness and alacrity with which the charitable arms of Scottish professional club adjusted their operational approaches during the COVID 19 pandemic was identified as an example of an entrepreneurial approach (Hammerschmidt et al. 2021; Oeckl & Morrow, 2022).

The governance of supporter-owned clubs

It has been argued that many organisations are hybrid in nature, homes to coexisting logics, the integration of which is governed by accepted institutional practices (Battilana, 2018; Pache & Santos, 2013; Skelcher & Smith, 2015). This characterisation has been suggested as particularly applicable to football clubs (Carlsson-Wall et al., 2016; Gillet & Tennent, 2018) and in particular to supporter-owned clubs, which are required to navigate competing demands between financial accountability, democratic legitimacy, and operational efficiency (Adams et al., 2025). These clubs must simultaneously serve the emotional commitments of their communities while responding to the institutional pressures of football's regulatory and commercial environment (Morrow, 2023)

In the Scottish context, the Hearts case study has become paradigmatic of this hybridity, with Adams et al. (2024) adapting Renn's (1992) social arena model as their analytical framework. It highlights the plurality of actors and accountabilities involved in football governance, and how power must be negotiated among stakeholders including fans, politicians, the media, and football authorities (Morrow, 2023). As such, effective governance under community ownership requires both robust structures and relational agility. Adams at al. (2024) showed how the supporter group, the Foundation of Hearts operated within a contested governance arena, balancing formal accounting (e.g., reporting to Companies House, SPFL rules) with informal accountability (e.g., building fan trust through inclusive communication, sharing narratives of community identity and belonging). They argued that trust and legitimacy in fan-owned models are often built not only through transparency and representation but also through ongoing moral and symbolic alignment with supporter expectations. In a subsequent paper the same authors focused on the institutional work undertaken in order to create a novel governance structure, in which the overlapping priorities (logics) of the Club and the Foundation of Hearts formed the basis of collaboration (Adams *et al*., 2025).

Motivations and mechanisms of transition

The motivations for adopting community ownership tend to blend financial survival, normative disillusionment with private ownership, and a desire to realign clubs with their communities (Adams et al., 2025; Brown, 2008; Hamil & Walters, 2010). While clubs transitioning to fan ownership in response to financial crises are often given the highest profile, there is also growing evidence of proactive planning, with clubs in Scotland using phased transitions, bespoke community centred legal structures such as Community Interest Companies (CICs) and Community Benefit Societies (CBSs), and strategic partnerships to structure community ownership in more sustainable ways (WGSIFC, 2105). For example, Kibble Education and Care Centre, one of Scotland's oldest charities, invested in a minority shareholding alongside the St Mirren Independent Supporters' Association which owns the controlling stake in the club (St Mirren, 2025). Both organisations share a dedication to the community and aim to address local deprivation and exclusion through youth employment, community engagement, and other initiatives. By establishing a Skills Academy within St Mirren's stadium and training complex, Kibble provide care-experienced young people with learning opportunities in real-life settings.

The growing role of political actors within the social arena (e.g., the Scottish Greens' advocacy for a supporter "right to buy") also demonstrates that legal and policy frameworks are evolving to facilitate and/or encourage this shift (Scottish Greens, 2016; WGSIFC, 2015). Recognising the benefits of fan ownership, in 2023 the Scottish Government launched the Fans' Bank, a loan funding scheme to help fan groups purchase a share in their local sports club, thereby supporting community ownership. The scheme was launched with an interest free loan of £350,000 provided to Falkirk Supporters Society in May 2023, which enabled them to increase their shareholding, thus protecting it from any future unwanted takeovers and providing security for the club going forward (Scottish Government, 2023).

Organisational and operational change under community ownership

Despite the idealism often associated with fan ownership, research shows that while it has the potential to bring significant organisational change, it is not without complexity, for example around varying definitions of success, accepting the distinction between ownership and management, and overly bureaucratic decision making (see, for example, Adams et al., 2025; Baxter et al., 2019; Ward et al,. 2012). Clubs must transition from opaque private control to a governance model that embeds wider participation while maintaining managerial effectiveness (Adams et al., 2025; Doherty, 2009). This includes changes in board composition, community engagement practices, and long-term strategic planning (Adams et al., 2017; Morrow, 2023; Smith & Smith, 2019).

The Hearts case reveals how supporter ownership can reconfigure internal relationships: directors becoming stewards of collective trust, and managerial autonomy being retained through a “guardianship” model that separates strategic ownership from day-to-day control (Adams et al., 2025, 2024;). Similarly, fan-owned clubs have been shown to reorient corporate social responsibility (CSR) activity toward deeper community integration, leveraging the club’s cultural capital to engage in education, health, and inclusion projects (WGSIFC, 2015).

Summary

While often idealised, community ownership is no panacea. Financial precarity persists, particularly in the absence of wealthy benefactors or statutory protections such as Germany’s 50+1 rule (Franck, 2010). Volunteer fatigue, decision-making inefficiencies, and the emotional burden of responsibility are all enduring challenges (Carlsson-Wall et al., 2016; Kennedy & Kennedy, 2012; Potter, 2019). Moreover, clubs must balance fan engagement with operational autonomy, a tension that often emerges during periods of poor sporting performance or strategic disagreement (Adams et al, 2024).

Empirical gaps remain. Much existing work focuses on the transition *to* fan ownership, rather than what happens *after*. There is still limited comparative data on how supporter ownership changes clubs’ cultures, strategic trajectories, and managerial structures over time. The Scottish experience, especially given its high concentration of fan-owned clubs outside of legislative compulsion, provides a valuable opportunity to fill this gap.

Methodology

Research design

This study adopts a qualitative research design to explore the governance and management implications of transitioning to community ownership in Scottish professional football. Specifically, it investigates how roles, responsibilities, and strategic objectives have evolved in clubs now owned by supporters. The research is based on semi-structured interviews with individuals closely involved in these transitions, either during the change in ownership or in the subsequent period of supporter-led management.

Participants

Seven participants were recruited using purposive sampling, each holding a senior role within SPFL clubs that had undergone a transition to community ownership, either as representatives of democratic supporters' organisations or as members of club governance structures. Selection was based on their firsthand involvement in and knowledge of ownership transitions, and their ability to reflect on the management practices that followed. In accordance with ethical approval obtained from the University of Stirling, participants were provided with an information sheet and gave informed consent. All interviews were anonymised, and participants retained the right to withdraw their data within 14 days of the interview.

Code	Role(s) Held	League	Ownership Model	Notes
P1	Supporters' Trust Director	SPFL Premiership	Majority fan owned	–
P2	Supporters' Trust Director	SPFL Championship	Minority fan owned	–
P3	Supporters' Trust Director	SPFL League 2	Majority fan owned	–
P4	Club Director & Supporters' Trust Director	SPFL League 2	Majority fan owned	Dual role (board + trust)
P5	Supporters' Trust Director	SPFL Premiership	Majority fan owned	–
P6	Supporters' Trust Director	SPFL Premiership	Majority fan owned	–
P7	Director of supporter organisation	SPFL Premiership	Majority fan owned	–

Data collection

Data were collected through semi-structured interviews conducted online via Microsoft Teams. The format allowed participants to share their experiences while enabling the researcher to explore emerging topics in greater depth. The interview guide focused on five key areas:

1. Governance and operational changes post-transition
2. The evolving roles of supporters versus professional managers
3. Organisational motivations (e.g. financial sustainability, community engagement, footballing success)
4. CSR activities
5. Opportunities and challenges associated with the community ownership model

Interviews ranged from 60 to 90 minutes in length and were recorded and transcribed verbatim for analysis.

Data analysis

Interview transcripts were analysed using thematic analysis, following the six-phase process outlined by Braun and Clarke (2006). After initial familiarisation with the data, the first author generated open codes to capture recurring patterns in participant responses. These codes were grouped into an initial set of five themes, financial drivers, governance conflicts, supporter engagement, sustainability, and organisational identity. However, as the analysis progressed it became clear that several themes overlapped conceptually and empirically. Through a process of refinement, these were consolidated into three overarching themes that provided a clearer and more coherent analytic structure.

Importantly, data analysis was not carried out in isolation but undertaken collectively by all members of the research team. While interviews were conducted by one researcher, transcripts were shared among the team and subjected to an iterative process of joint analysis. This involved repeated cycles of coding, clustering, and theme refinement in which team members challenged each other's interpretations and negotiated meanings until consensus was reached. This collaborative approach enhanced analytical rigour and minimised individual researcher bias, providing what Miles and Huberman (1994, 50) term "intersubjective consensus."

The analysis process followed principles of iterative data reduction, as outlined by Miles and Huberman (1994) and later by Ryan and Bernard (2000). Coding was treated not simply as a technical step but as part of the analytic process itself, reflecting Miles and Huberman's view (1994, 56) that "coding is analysis." The team moved back and forth between data and emerging categories, using constant comparison to refine the codebook, search for negative cases, and test the plausibility of developing interpretations. Data displays, including provisional matrices mapping clubs against emerging themes such as governance structures, supporter engagement practices, and funding models, were used to make relationships visible and facilitate cross-case analysis (Miles & Huberman 1994).

This combined approach enabled a detailed exploration of how governance practices, strategic priorities, and organisational cultures have evolved under fan ownership, while also capturing the lived experiences, dilemmas, and tensions that characterise this distinctive governance model.

Findings

This section presents the findings from semi-structured interviews conducted with individuals involved in Scottish football clubs that have transitioned to community ownership. Thematic analysis initially identified five areas of change, but as analysis progressed it became clear that there was overlap across categories. We therefore present findings under three integrated themes: (1) governance transformation and strategic purpose, (2) community engagement and social responsibility, and (3) sustainability; opportunities, challenges, and threats.

Governance Transformation and Strategic Purpose

The transition to supporter ownership has led to a substantial reconfiguration of governance practices across all participating clubs. Interviewees consistently emphasised three dominant features: a focus on financial sustainability, greater transparency, and deeper community engagement. A number of clubs such as Clyde and Motherwell adopted more conservative fiscal approaches, deliberately prioritising long-term viability over short-term risk. As one Supporters' Trust director recalled:

> "We had to say to the manager, you don't have the budget, you're just [going to] have to get players that you hope will retain that position. We expected to be relegated, but if you don't cut your cloth to suit your needs, you ain't [going to] go anywhere." (P3)

Other clubs, however, embraced entrepreneurial and adaptive strategies, introducing new revenue streams through community fundraising, digital platforms, and enhanced sponsorship models. As one interviewee noted:

> "Fans piled money to the lottery. They came to fundraising events. We raised a good amount of cash every year to try and plug those holes." (P4)

One club developed partnerships with technology firms that not only provided vital digital infrastructure but also acted as sponsors. At the same time, the club aligned its shirt sponsorship with a well-known international charity, strengthening both revenue streams and community credibility.

This shift was often accompanied by structural reforms. Clubs formalised board roles, improved financial reporting, and introduced clearer decision-making procedures. Financial prudence became a cornerstone of governance, particularly for clubs that had previously experienced financial distress. As one Director explained: "We had to be creative. We couldn't just rely on the old ways of doing things." (P4)

A key development across cases was the emergence of a functional separation between ownership and management. In most clubs, operational control was delegated to professional staff, while strategic oversight remained the responsibility of supporter-elected boards. This hybrid governance model was widely regarded as effective in balancing democratic legitimacy with professional competence. As one former supporter organisation director explained:

> "Supporters are the bank of last resort. But the way we did it at [club] was to balance that democratic legitimacy with professional competence. [The owner] was running the club day-to-day, while the Trust kept the long-term oversight." (P7)

Supporter ownership also encouraged more embedded civic relationships. At one club, for example, fans participate in discretionary spending decisions and shape community-facing initiatives, as one Supporters' Trust director recounted:

> "The whole idea was that members' contributions didn't just keep the lights on. A portion went into reserves [50%], some went into the youth academy [30%], some to the charitable

> foundation [10%], and the rest was voted on by members to improve the fan experience. That gave people a real sense of ownership." (P1)

While financial crisis often acted as the catalyst for transitions, interviewees stressed that motivations extended beyond survival. Supporter ownership was widely understood as a means to re-align clubs with their communities, safeguard local identity, and embed values of sustainability, accountability, and participation. As one supporter organisation director explained:

> "You need a crisis and we had a crisis. The football club was about to disappear. But what drove it wasn't just saving [the club], it was the sense that the club had to belong to its people, that supporters are the bank of last resort." (P7)

Others emphasised that ownership changes reflected a desire to redefine the purpose of clubs as community institutions:

> "[The former owner] always wanted to give something back to the community he'd been brought up in. Fan ownership wasn't about him stepping away; it was about making sure the club became rooted in the community for the long term." (P5)

> "We agreed with the council that instead of just paying off debt, we'd take on responsibility for coaching young players and working in areas of deprivation. That was about building the community connection as much as running a football team." (P3)

> "Step one was simply to secure the club, because it was heading for liquidation. But what kept people going was the bigger idea, the club wasn't just about football anymore, it was about being a proper community institution." (P4)

> "We've always said, get the culture right, and the football will follow." (P2)

Together, these accounts illustrate how governance reforms were not merely operational adjustments but part of a broader redefinition of clubs' strategic purpose.

Community Engagement and Social Responsibility

Supporter ownership appears to have significantly enhanced clubs' commitment to CSR and broader community engagement. Interviewees across clubs described an expansion of social programmes following the transition to fan ownership, with initiatives spanning education, health, social inclusion, and charitable partnerships. One supporters' organisation director noted:

> "You often hear that supporters are the bank of last resort. But it also means they expect us to be more than a football club.

> That's why the [community foundation] was central from day one." (P7)

Much of this growth has been facilitated by formal governance arrangements. In several cases, clubs developed or deepened relationships with affiliated social enterprises, such as charitable arms or community interest companies, which enabled more coordinated delivery of social programmes and access to external funding. One interviewee reflected:

> "Without the [supporters' organisation] structure, we couldn't have delivered the number of community programmes we do now. The governance model itself puts community at the heart of the club." (P5)

The governance model itself was widely regarded as an enabler of CSR, embedding social value into the club's purpose and creating a culture where community benefit was both expected and prioritised. However, tensions were also evident. Some clubs experienced internal disagreement over the balance between sporting investment and community activity, with parts of the supporter base expressing concern that off-field engagement could detract from on-field competitiveness. One interviewee explained:

> "There's a generation of fans now who don't remember the debt crisis. They want us to throw money at promotion, but our responsibility is making sure we stay financially stable and continue our community role." (P3)

Other clubs emphasised transparency through regular communication and structured engagement with supporters, particularly around matchdays. As one Club and Trust director put it:

> "We had to change how the club communicated. Fans were no longer kept at arm's length, we started doing things like opening up board decisions and running the club shop ourselves, because those small things really mattered." (P4)

The rise of digital communication, particularly social media, brought both benefits and risks. While platforms enabled greater transparency and supporter dialogue, they also increased scrutiny of board members and volunteers, occasionally undermining morale and cohesion. As one Supporters' Trust director described:

> "We had to be careful with the language we used, one wrong word online and you'd be accused of working against the supporters. Transparency was important, but it also made the role exhausting at times." (P2)

Sustainability: Opportunities, Challenges, and Threats

While the model offers a viable alternative to private ownership, its sustainability depends on navigating a complex set of opportunities and challenges. Interviewees identified enhanced legitimacy, stronger stakeholder trust, and deeper emotional connection between clubs and their supporters as major benefits. Several clubs reported improved relationships with local authorities, increased volunteer involvement, and a broader alignment between club values and community priorities. One interviewee reflected:

> "When you get down to it, supporters are the bank of last resort, and that gives you legitimacy, because everyone knows you're acting for the good of the club, not to make money." (P4)

These factors contributed to improved governance transparency, strategic clarity, and, in some cases, innovative funding models. As one Supporters' Trust director recalled:

> "We set up an e-commerce website … and in six weeks we raised £150,000. That kind of creativity came from the fact we were accountable to supporters and had to find new ways to keep the club alive." (P2)

Financial innovation did not stop once clubs became supporter-owned. Hearts, for example, attracted almost £10m in investment in return for non-voting shares, while Greenock Morton established a matched-funding model linking supporter fundraising with sponsorship contributions.

However, the model also presents persistent challenges. A common concern was the reliance on a small number of committed volunteers, raising issues around burnout, continuity, and operational capacity. As one interviewee admitted:

> "I knew nothing about this when I started, I'm a mechanical engineer to trade. We had the passion, but not always the professional background." (P2)

Skills gaps on supporter-elected boards, particularly in areas such as commercial strategy, legal compliance, and football operations, were seen as limiting organisational effectiveness. Internal governance tensions were also evident. Clubs experienced disputes over board responsibilities and decision-making authority, highlighting the need for clearer role delineation and more formalised structures. As one Supporters' Trust director explained:

> "Our naivety was that we all thought we were there to do one thing, the benefit of [the Club]. But we hadn't built the structures. We learned the hard way and eventually had to put in place a working agreement that meant the trust and club board had to work in harmony." (P3)

Managing a volunteer-led governance body alongside the demands of a professional football operation was widely acknowledged as a delicate balancing act. At one club, the relationship between the executive board and the Supporters' Trust board has been a recurring issue since the transition to full fan ownership. As the Supporters' Trust director explained:

> "Anybody who says they didn't have concerns about full fan ownership is lying. You're always asking, what if? We had to find ways to make it work, but that means constant negotiation between boards." (P5)

Another challenge related to the role of supporter representatives on club boards. The position was seen as vital for ensuring accountability, but it also created tension around confidentiality. One Supporters' Trust director explained:

> "You're elected by the fans, but once you're in the boardroom you're bound by confidentiality. You can't just walk back out and tell everyone everything, and that creates frustration." (P4)

Balancing transparency with the legal and fiduciary duties of board membership was frequently described as one of the most difficult aspects of community ownership. Supporter engagement, while a clear strength, brought its own complications. As one Club director put it:

> "You're an idiot if you put your name in the hat, because the board takes an absolute tanking. The vocal ones are always on your back, but the silent majority are harder to hear." (P4)

Leadership sustainability was also raised as a pressing threat. At Clyde, interviewees described a reliance on a small group of dedicated volunteers, leading to fatigue, skill gaps, and operational bottlenecks. As one director admitted:

> "I think I was the one who saw the car crash coming. But when you look around, it's always the same handful of people carrying the load. Others don't want to put their head above the parapet because you just get a tanking. That's the problem, succession never really happens." (P4)

Financial viability remains fragile. Although supporter donations and local fundraising have sustained many clubs, these income streams are volatile. One interviewee noted:

> "We've always said we're just one bad season away from a crisis. If gates drop, the money dries up very quickly. That's the reality at our level." (P3)

The absence of external equity or large commercial sponsorships places further pressure on clubs to maintain both competitive relevance and community service. Recent years have also seen the rise of external investment in Scottish football, creating new tensions for fan-owned clubs. Several clubs have benefited from foreign investment, while at supporter-owned Hearts, a wealthy benefactor invested almost £10m in return for non-voting shares. The challenges around this dilemma were summed up by one interviewee:

> "Even with [the owner] and other wealthy backers, thousands of people kept paying their monthly pledges. That showed the strength of commitment to the fan model, but it also raised questions about how much say supporters should have when millions are coming in from elsewhere." (P7)

Together, these accounts highlight the fragility of supporter ownership: its long-term sustainability depends not only on stable leadership and reliable membership income but also on navigating the pressures of external investment and the risk that sections of the fan base may view dilution of ownership as preferable to financial insecurity.

Discussion

This paper set out to explore how governance, management, and organisational priorities change when football clubs transition to community ownership, drawing on qualitative evidence from five SPFL clubs. The findings illuminate how community ownership in Scotland is not merely a structural change in who owns the club, but a broader organisational reconfiguration: a shift in decision-making logics, stakeholder accountability, and cultural identity. The analysis contributes to a growing body of scholarship on hybrid organisations, supporter governance, and institutional logics in sport (e.g. Adams et al., 2025, 2024, 2017; Battilana, 2018; Carlsson-Wall et al., 2016; Doherty, 2009), while offering new empirical insights from one of the most concentrated supporter-owned ecosystems in Europe.

Hybrid governance in practice

Supporter-owned clubs in Scotland display many characteristics of hybrid organisations (Battilana & Lee, 2014), entities that mediate between competing institutional logics (Pache & Santos, 2010). On one hand, clubs must operate as professional football businesses: managing costs, pursuing performance goals, and complying with league regulations. On the other hand, they must fulfil a democratic and participatory ethos, reflecting the interests and social values of their member-owners and wider community stakeholders. Moreover, many of those charged with delivering these outcomes are volunteers.

This duality generates inherent tensions. As interviewees observed, supporter-elected directors often lack specialist knowledge in football operations or commercial management. While some clubs have developed sophisticated governance frameworks to delineate roles and responsibilities, separating strategic oversight from day-to-day management, others remain reliant on informal arrangements and goodwill. A key development across cases was the emergence of a functional separation between ownership and management. In most clubs, operational control was delegated to professional staff, while strategic oversight remained the responsibility of supporter-elected boards. This model aligns with Adams et al.'s (2025) conceptualisation of hybrid organisations that navigate both social and sporting logics.

Our findings also support Adams et al.'s (2024) contention that legitimacy in fan-owned clubs is often built through informal mechanisms, such as storytelling, civic responsiveness, and ethical alignment, as much as through formal reporting processes. Several interviewees emphasised the responsiveness of community-owned clubs to local needs, particularly during periods of social crisis, such as the COVID-19 pandemic.

Supporter ownership as social entrepreneurialism

One of the strongest cross-cutting themes is that supporter ownership in Scotland can be understood as a form of social entrepreneurialism. Entrepreneurialism here was not confined to generating financial returns, but extended to safeguarding, protecting, and nurturing clubs as community assets. Participants described adopting conservatively fiscal approaches, ensuring that expenditure was limited to what could be sustained, while also experimenting with new forms of fundraising, sponsorship, and community engagement. Both strategies, defensive conservatism and proactive development, can be seen as entrepreneurial, in that they sought to protect and grow the club without exposing it to existential risk. Both are also examples of social entrepreneurship, where the emphasis of the supporter owners is on protecting and enhancing the club as a social institution, one whose value and contribution extends well beyond finance or even football success.

This resonates with Battilana's (2018) work on social enterprises, which highlights the distinctive challenge of pursuing social and financial goals simultaneously. Like social enterprises, supporter-owned clubs operate in an ecosystem structured around private capital and profit-maximisation, yet their legitimacy derives from their ability to balance economic survival with community benefit. In this sense, Scottish fan-owned clubs exemplify hybrid organisations that must continually manage the tensions between sustainability and participation, prudence and innovation.

Adams et al.'s (2017) conceptualisation of football clubs as "boundary objects" is also informative here, in understanding the behaviour of those involved in supporter owned clubs. Clubs positioned themselves not merely as sporting organisations but as community anchors, mediating the expectations of multiple stakeholder groups across sporting, social, and economic domains. The lived practices of social entrepreneurialism, from reinvesting surplus into youth academies, to ring-fencing reserves for crises, to developing charitable arms, enabled clubs to negotiate these competing demands while reinforcing their civic purpose.

Structural constraints and the role of policy

Despite the opportunities arising out of supporter ownership, clubs remain constrained by the wider political economy of Scottish football. Community-owned clubs operate within a system that is structured around private capital and sporting performance maximisation. The absence of redistributive financial mechanisms, such as meaningful TV revenue sharing, solidarity payments, or league-wide cost controls, places limits on what supporter ownership and clubs which are supporter owned can achieve in practice. As one interviewee observed, *"The model works, but only just, and only because we care enough to make it work."*

This underscores the importance of supportive policy and regulatory environments. Scotland has taken steps to facilitate supporter ownership through the Community Empowerment (Scotland) Act 2015 and the creation of a "Fans Bank." While government is an explicit political actor within the social arena of football, it is, of course, governing bodies and leagues which are the most visible rule enforcers and indeed rule creators, these rules ostensibly being predicated on the wishes of their member clubs (Adams et al., 2024.) Yet interviewees expressed frustration at the lack of systemic support from football's governing bodies for the concept and operationalisation of supporter ownership. Unlike Germany's 50+1 rule or Sweden's Allmännyttig förening model, there is no legal or regulatory safeguard that ensures long-term fan influence in governance or protects community ownership from erosion.

This means that supporter-owned clubs are often left to innovate and improvise in order to survive, with supporters taking on the role of social entrepreneurs by default, rather than being embedded in a structure that supports their dual mission. As Battilana (2018) argues, hybrids thrive when institutional environments allow them to hold together both financial and social logics. In the Scottish case, the absence of structural scaffolding risks leaving clubs over-reliant on exceptional individuals committed to the social mission and purpose associated with their football club, and/or vulnerable to external investor pressures.

While the commitment of groups of individuals acting together as effective social entrepreneurs is inspiring, it is also leaves clubs vulnerable. Future development of the supporter ownership model in the Scottish football arena is likely yo depend on deeper integration of the structure into national sport policy and regulatory support, including access to capacity-building support, leadership training, and regulatory recognition of supporter governance structures. Without such scaffolding, community ownership risks plateauing or drifting, despite its potential to embed resilience, accountability, and civic value into Scottish football.

Conclusion

This paper has explored the governance, management, and organisational transformations associated with community ownership in Scottish football. Drawing on interview data from five SPFL clubs, it has shown that supporter ownership reconfigures not only who owns the club, but how it is run, what it prioritises, and how it interacts with its community. These changes are shaped by hybrid governance arrangements, new forms of accountability, and a reorientation toward social value and long-term sustainability.

The study makes several contributions. First, it extends the literature on supporter ownership and governance by focusing on *post-transition* change, rather than solely on ownership acquisition. Second, it provides empirical evidence from a unique national context, Scotland, where supporter ownership is relatively widespread despite the absence of legal compulsion. Third, it highlights the role of informal accountability, narrative legitimacy, and emotional stewardship in the governance of sport organisations.

However, the study also identifies key risks and constraints. These include limited organisational capacity, governance fragility, and systemic inequalities within Scottish football, these inequalities often exacerbated by SPFL agreed rules and regulations. While community ownership holds significant promise, it cannot thrive without structural support. Sustainable growth of the model will require not just local commitment, but policy alignment and institutional reform.

Recent developments in England, most notably the introduction of an independent football regulator, highlight the growing political appetite for structural reform in football governance. In contrast, Scotland continues to rely on informal mechanisms, voluntary governance models, and club-level innovation. While this has enabled the organic growth of supporter ownership, it also exposes clubs to systemic risks. As this study has shown, the success of community ownership depends heavily on local entrepreneurial leadership, volunteer commitment, and community legitimacy. Without complementary institutional support, these models risk becoming fragile or unsustainable in the long term. The English regulatory agenda may offer lessons or prompts for future reform in the Scottish context.

Further research is needed to explore the long-term trajectories of fan-owned clubs, including comparative analysis with jurisdictions where legal frameworks protect democratic control. There is also scope to examine the interaction between supporter ownership and on-field performance, commercial strategy, and gender equity. For policymakers, football authorities, and communities alike, this study provides evidence that community ownership is a viable, and at times transformative, model. But it is one that requires active stewardship, continuous innovation, and collective resolve.

References

Adams, A., S. Morrow, and I. Thomson. 2017. “Changing boundaries and evolving organizational forms in football: Novelty and variety among Scottish clubs.” *Journal of Sport Management* 31, no. 2: 161–75. https://doi.org/10.1123/jsm.2016-0286.

Adams, A., S. Morrow, and I. Thomson. 2024. “Accounting, finance and conflict in football arenas.” *Accounting, Auditing & Accountability Journal* 37, no. 2: 454–79. https://doi.org/10.1108/AAAJ-06-2022-5869.

Adams, A., S. Morrow, and I. Thomson. 2025. “Governing the paradox of success in a hybrid supporter-owned professional football club.” *European Sport Management Quarterly* 25, no. 4: 559–79. https://doi.org/10.1080/16184742.2024.2406871.

Battilana, J. 2018. “Cracking the organizational challenge of pursuing joint social and financial goals: Social enterprise as a laboratory to understand hybrid organizing.” *Management* 21, no. 4: 1278–1305. https://doi.org/10.3917/mana.214.1278.

Battilana, J., and M. Lee. 2014. “Advancing research on hybrid organizing: Insights from the study of social enterprises.” *Academy of Management Annals* 8, no. 1: 397–441. https://doi.org/10.5465/19416520.2014.893615.

Baxter, J., M. Carlsson-Wall, W. F. Chua, and K. Kraus. 2019. “Accounting and passionate interests: The case of a Swedish football club.” *Accounting, Organizations and Society* 74: 21–40. https://doi.org/10.1016/j.aos.2018.08.002.

BBC Sport. 2025. “Government to introduce independent football regulator.” *BBC Sport*, March 23. https://www.bbc.co.uk/sport/football/articles/c62gd25ydzwo. Accessed June 28, 2025.

Bevir, M., and R. A. W. Rhodes. 2003. *Interpreting British Governance*. London: Routledge.

Bjärsholm, D. 2017. “Sport and social entrepreneurship: A review of a concept in progress.” *Journal of Sport Management* 31: 191–206.

Brown, A. 2008. “‘Our club, our rules’: Fan communities at FC United of Manchester.” *Soccer & Society* 9, no. 3: 346–58. https://doi.org/10.1080/14660970802009055.

Carlsson-Wall, M., K. Kraus, and M. Messner. 2016. “Performance measurement systems and the enactment of different institutional logics: Insights from a football organization.” *Management Accounting Research* 32: 45–61. https://doi.org/10.1016/j.mar.2016.01.006.

Conn, D. 2020. *The Beautiful Game? Searching for the Soul of Football*. London: Yellow Jersey Press.

Cornforth, C. 2004. “The governance of cooperatives and mutual associations: A paradox perspective.” *Annals of Public and Cooperative Economics* 75, no. 1: 11–32. https://doi.org/10.1111/j.1467-8292.2004.00241.x.

Deutscher Fußball-Bund (DFB). 2023. *DFB Statutes and Regulations*. https://www.dfb.de.

Doherty, A. 2009. “The volunteer legacy of a community sport event.” *Journal of Sport Management* 23, no. 2: 181–206. https://doi.org/10.1123/jsm.23.2.181.

Franck, E. 2010. “Private firm, public corporation or member’s association—Governance structures in European football.” *International Journal of Sport Finance* 5, no. 2: 108–27.

Hamil, S., and G. Walters. 2010. “Financial performance in English professional football: ‘An inconvenient truth’.” *Soccer & Society* 11, no. 4: 354–72. https://doi.org/10.1080/14660970.2010.491062.

Hammerschmidt, J., S. Durst, S. Kraus, and K. Puumalainen. 2021. “Professional football clubs and empirical evidence from the COVID-19 crisis: Time for sport entrepreneurship?” *Technological Forecasting and Social Change* 165: 120572. https://doi.org/10.1016/j.techfore.2021.120572.

Kennedy, D., and P. Kennedy. 2012. “Supporter trusts and third way politics: A new political economy of football?” *Sport in Society* 15, no. 1: 131–46. https://doi.org/10.1080/17430437.2011.634622.

Morrow, S. 1999. *The New Business of Football: Accountability and Finance in Football*. Basingstoke: Palgrave Macmillan.

Morrow, S. 2023. *The People’s Game? Football, Finance and Society*. 2nd ed. London: Palgrave Macmillan.

Oeckl, S. J. S., and S. Morrow. 2022. “CSR in professional football in times of crisis: New ways in a challenging new normal.” *International Journal of Financial Studies* 10, no. 4: 86. https://doi.org/10.3390/ijfs10040086.

Pache, A. C., and F. Santos. 2010. “When worlds collide: The internal dynamics of organizational responses to conflicting institutional demands.” *Academy of Management Review* 35, no. 3: 455–76. https://doi.org/10.5465/amr.35.3.zok455.

Parent, M. M., and D. L. Deephouse. 2007. “A case study of stakeholder identification and prioritization by managers.” *Journal of Business Ethics* 75: 1–23. https://doi.org/10.1007/s10551-007-9533-y.

Porter, C. 2019. *Supporter Ownership in English Football: Class, Culture and Politics*. Basingstoke: Palgrave.

Riksidrottsförbundet (Swedish Sports Confederation). 2023. *Statutes of the Swedish Sports Confederation*. https://www.rf.se.

Scottish Government. 2023. “Fan Bank launches with £350,000 loan to Falkirk FC supporters.” https://www.gov.scot/news/fan-bank-launches-with-gbp-350-000-loan-to-falkirk-fc-supporters/.

Scottish Greens. 2016. *Fans First: Giving Football Back to Its Supporters*. Edinburgh: Scottish Green Party. https://greens.scot/sites/default/files/public/Policy/Fans-First-briefing.pdf. Accessed September 19, 2025.

Skelcher, C., and S. R. Smith. 2015. “Theorizing hybridity: Institutional logics, complex organizations, and actor identities: The case of non-profits.” *Public Administration* 93, no. 2: 433–48. https://doi.org/10.1111/padm.12105.

Smith, Z. T., and R. E. Smith. 2019. “Supporter ownerships as entrepreneurship in American soccer.” *Journal of Applied Sport Management* 11, no. 3. https://doi.org/10.18666/JASM-2019-V11-I3-9167.

St Mirren. 2025. “About our club.” https://www.stmirren.com/club/about-our-club.

Supporters Direct & University of Stirling (2009). “*Report into the ownership and structure of Clyde FC*”. Glasgow: Co-operative Development Scotland.

Teasdale, S. 2012. “Negotiating tensions: How do social enterprises in the homelessness field balance social and commercial considerations?” *Housing Studies* 27, no. 4: 514–32. https://doi.org/10.1080/02673037.2012.677015.

Ward, S., T. J. Scanlon, and T. Hines. 2012. “Mutuality ownership form and professional sports: Football.” *Nonprofit and Voluntary Sector Quarterly* 42, no. 4: 763–80. https://doi.org/10.1177/0899764012443734.