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**MANAGEMENT AND ECONOMICS OF THE LEADING FOOTBALL CLUBS**

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*The article is devoted to the management and economics of the leading football clubs of the world. The questions of the profitability analysis of the football clubs, supported by the data of the audit company Deloitte on the most profitable clubs are considered in the article.*

Football is rightly called the most popular sport on the planet. International Federation of football associations (FIFA) includes 208 national federations – it is more than the number of the countries that are members of the UN.

Over the last decade football has made rapid progress. The budgets of the best clubs in Europe are calculated in the hundreds of millions of euros. In the countries of the football top five: England, Spain, Italy, Germany and France they have learnt to turn the favourite entertainment of millions of people into a profitable business.

The effectiveness of the activity of any professional football club is first of all proved by its sporting results. However, it has long been established that the great victories and the commercial success are directly connected. For example, the clubs, which are seeking the right to participate in the prestigious European competitions – the UEFA Champions League and the European League, receive automatically large bonuses from the European Federation of football associations (UEFA). Moreover, the bonus rises depending on the success of the team in these competitions. In the season 2008 – 2009 selling the TV, commercial and promotional rights brought the UEFA Champions League the income of 820 million euros. More than 70% of this amount were spent on the bonuses for 32 teams-participants of the group stage. The remaining amount was used for "solidarity payments" for the national federations and the incidentals. The prestige of the clubs' participation in European competitions is supported by the considerable sums of money shown in table 1 according to the official site of UEFA [1].

Table 1 – Bonus payouts in the UEFA season 2008/2009

Event	ChampionsLeague, mlnEuro	UEFA Cup, mlnEuro
Participation in the group stage	3,0	0,105
Played a match	0,4	–
Win	0,6	0,04
Draw	0,3	0,02
Outputinthe 1/16 finals	–	0,07
Outputinthe 1/8 finals	2,2	0,07
Outputinthe 1/4 finals	2,5	0,3
Outputinthe 1/2 finals	3,0	0,6
Outputinthefinal	4,0	1,5
The victory in the tournament	7,0	2,5

Source: Deloitte. In the Champions League does not exist 1/16 finals. The team got on the stage of 1/16 of UEFA Cup from the Champions League, do not receive this bonus.

The data about ten most profitable clubs in Europe collected by the audit company Deloitte are shown in table 2. The indicators of income received were used in this prestigious rating, as they are the most affordable and comparable indicator of the financial performance of the football club. The income of the clubs includes the transfer fees for the players; value added tax and other taxes levied on revenue from sales. In some cases, the specialists of Deloitte made some adjustments to the indicators of gross revenue to display more than adequate, in their opinion, comparison of different clubs in terms of the football business.

Over the past 13 years the winners of the Champions League became exclusively clubs included in the top ten of the revenue part of the budget. However, there was one exception to the rule. In the season of 2002 –

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2003 unexpectedly for most experts, the most prestigious European cup was won by Portuguese Porto. That only confirms that there are no rules without exceptions [1].

As seen from the table, the income of the clubs tends to increase. Taking into account the fact that Madrid Real has in its collection a record number of the Champions League tournament trophies – 9 cups, the first place of the Spanish club in the profit-making capacity race does not seem accidental. As a rule, great profit indicators of the club go side by side with a not less considerable part of budget expenditures, where the major investments include buying players and their salaries. According to the data of Portuguese edition Futebol Finance, which focuses on the financial side of football, in the 2009-2010 season 5 teams from the Deloitte ranking invested totally 676,4 million euros in the players. In particular: Real Madrid – 257,4 million euros, Manchester United – 139,3 million euros, Barcelona – 113,5 million euros, Internazionale – 90,5 million euros, Bayern Munich – 74,7 million euros [1].

Table 2 – The most profitable clubs in Europe, mln Euro

Club	2007 – 08	2006 – 07	2005 – 06	Country
1. Real Madrid	365,8	351,8 (1)	292,2 (1)	Spain
2. Manchester United	324,8	315,4 (2)	242,6 (4)	UK
3. Barcelona	308,8	291,1 (3)	459,1 (2)	Spain
4. Bavaria	295,3	223,7 (7)	204,7 (8)	Germany
5. Chelsea	268,9	284,4 (4)	221,0 (6)	UK
6. Arsenal	264,4	264,2 (5)	177,4 (9)	UK
7. Liverpool	210,9	202,1 (8)	176,0 (10)	UK
8. Milan	209,5	227,7 (6)	238,7 (5)	Italy
9. Roma	175,4	157,7 (10)	127,0 (12)	Italy
10. Inter	172,9	195,4 (9)	206,6 (7)	Italy

Source: Deloitte.

All leaders of the list in the 2009/10 season were able to significantly increase their revenues. So, the Madrid superclub increased its revenue from 401 to 439 million euros, Barcelona – from 366 to 398 million, and "Manchester United" – with 327 349 million.

The top five also include Munich "Bavaria" (323 million) and London "Arsenal" (271 million). There has been no change in the position of the five richest clubs.

Among the first twenty according to Deloitte there appeared several newcomers, including "Atletico", "Stuttgart" and Birmingham "Aston Villa". They occupied the places belonging to "Borussia" Dortmund, "Werder" Bremen and "Newcastle United".

There are seven English Premier League clubs in the top twenty. Besides, the list includes four Italian and German teams, three Spanish ones and two French teams. The clubs which are not in the "big five" of the European football Championships are not included into the top 20. Only one club from the weaker national tournament – Lisbon "Benfica", having taken the 26th place in income, is approaching it [3].

In general, the 20 leading clubs were able to increase their revenue in 2009/10 to a record 4 billion euros. It is worth noting that this statistics takes into account only the earnings from operations and leaves a single-payment income, in particular, transfer money.

Deloitte reports that the joint income of the 20 most successful in commercial terms clubs grew by 11% and reached the level of 3,7 billion euros in the 2006 – 2007 season, So football sector of the economy demonstrates the best dynamics of development, starting with the season 2002 – 2003. As follows from the report of the audit company, Real Madrid and Manchester United became the first football clubs, whose revenues for the season exceeded EUR 300 million. The income gains of the Royal Club reached as much as 20% [1].

The best football clubs in the world in 2011/12 increased their revenues up to 4,8 billion euros, according to Deloitte data. Now twenty richest clubs account for about a quarter of the total income of all the football teams in Europe.

The eighth year in a row, the first line in the list of the richest football clubs, according to the Deloitte (table 3), is held by the Spanish "Real Madrid", which managed to repeat the result of "Manchester United", which occupied the first place in the period from 1996/97 to 2003/04. Moreover, earning 513 million euros, Real Madrid became the first team (regardless of the kind of sport), that managed to make profit of more than 500 million euros during a year. You can also emphasize the stability with which teams are ranked in the past five years among the six top clubs: no changes occurred [4].

In addition to "Real Madrid" in the top twenty another Spanish club FC Barcelona hit, located on the second place. Together with "Real" their overall income from ticket sales, TV broadcasts, advertising and merchandising amounted to almost 1 billion euros. British clubs dominate in the ranking – the twenty included just seven teams (aggregate revenues of 1,82 billion euros). Five of them are in the top ten, and can be assumed; successfully concluded advertising contracts will allow the British to further strengthen its position in the next season. Good results have been shown by Italian clubs, the revenues of five most financially successful teams exceeded 900 million euros. There are four German and two French clubs having managed to earn 853 million and 253 million, respectively [4].

The revenue of any football club can be filled at the expense of sponsorship and advertising, sale of transfer of the rights of players, sale club merchandise, tickets, season tickets, broadcasting rights and bonus payments from UEFA. Clubs top five European football is beneficial from a commercial point of view, because they can earn. Spanish Real Madrid receives 57% of income only from the stadium charges during matches and the rights to TV broadcasting. Barcelona on the same indicators gains 66%. Revenue part of the budget of the Turin Juventus filled with 68% only due to the sale of television rights by Milan a similar collection of several lower – 65%. Income from business activity of the Munich Bavaria comprises 54% [1].

Table 3 – Revenue of the football clubs on the results of the 2011/12

Footballclub	Proceeds, million EUR
1. Real Madrid	512,6
2. FC Barcelona	483,0
3. Manchester United	395,9
4. Bayern Munich	368,4
5. Chelsea	322,6
6. Arsenal	290,3
7. Manchester City	285,6
8. AC Milan	256,9
9. Liverpool	233,2
10. Juventus	195,4
11. Borussia Dortmund	189,1
12. Internazionale	185,9
13. Tottenham Hotspur	178,2
14. Schalke 04	174,5
15. Napoli	148,4
16. Olympique de Marseille	135,7
17. Olympique Lyonnais	131,9
18. Hamburger SV	121,1
19. AS Roma	115,9
20. NewcastleUnited	115,3

Source: Deloitte.

Soon the hegemony of the five major football clubs will be broken by the clubs from other countries. So, the closest ones to the top twenty are the Portuguese "Benfica" (111,1 million euros), Dutch "Ajax" (104,1 million euros), Turkish Galatasaray (95,1 mln Euro) and Brazilian "Corinthians" (94,1 million euros) [4].

Most foreign leading football clubs in Europe are open joint stock companies according to their legal form. Their shares are sold at the auctions at London, Milan, Manchester, Munich stock exchanges and are listed high enough.

The global financial and economic crisis has strongly affected the leading European clubs, British, Spanish and German. All of them have not escaped the financial losses.

So Barcelona and Bayern have cut their budgets by 10%. "Real" and "Benfica" by 20%. "Manchester United" has gained new players and sold Cristiano Ronaldo. The most serious consequences were at English club "Liverpool". The business of their American owners went bankrupt and they took huge loans in the bank, having proposed the property and players of the club as a pledge.

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Approximately 60 European clubs suffered from the crisis to some extent, and now "Newcastle", "Bologna", "Udinese" and "Roma" are on the verge of ruin. The football clubs had to take measures to overcome the crisis [2].

There was set the ceiling of salaries for the most "star" players. The transfer market did not undertake considerable purchases, the idea of creation of the League "G-14" was rejected.

Several countries have established a reserve fund to help severely affected by the crisis. All these measures are supported by UEFA. United company efforts of the clubs had a positive effect in overcoming the crisis.

Their stadiums are the first thing that can significantly affect the financial attractiveness and effectiveness of the clubs. European experience is demonstrative. The move of London Arsenal to a new Emirates stadium has caused significant changes in the volume of revenues of the club. After that Arsenal consolidated the 6th place in the ranking of the most profitable clubs in the world by Deloitte.

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### OUTSOURCING AND ITS SIGNIFICANCE IN THE ACTIVITY OF CONSTRUCTION ORGANIZATIONS

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*The article considers the theoretical aspects of the concept of "outsourcing", the peculiarities of its use in construction organizations, the advantages of outsourcing in construction.*

In general outsourcing is the organization's transfer of certain business processes or business functions to another company specializing in a particular area, on the basis of an agreement [1]. Outsourcing also means the way of formation of financial relations between the organization and the specialized organization-outsourcer, which possesses core competencies and a cumulative human capital, on the basis of the full or partial transfer of business processes [2]. Construction companies themselves understand outsourcing as the usage of external organizations in matters relating to the internal challenges with the aim of increasing focus on the solution of corporate issues [3].

Construction outsourcing differs from the industrial one in that it is the process of distribution of responsibilities of the construction firm between specialized companies, which.

Construction is a unique kind of economic activity, which has the following responsibilities:

- existence of a particular customer;
- unique construction projects;
- long-term construction projects;
- high cost of object construction;
- the seasonal nature of construction works;
- high capital intensity and others [4].