# Personnel and human resource management specifics of basketball clubs: the case of post-transitional South-East European countries

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**Abstract**

The article aims to explore and present the personnel structures and human resource management specifics of basketball clubs from four post-transitional South-East European countries. First, the author presents the post-transitional context, by conducting analyses of variance ant t-tests highlights the differences between clubs at different quality levels regarding financing and the degree of professionalization, and describes the implications on the personnel structures. The second part analyzes the impact of various stakeholders on human resource management processes, and in that context presents the head coach's role in observed basketball clubs. The findings show the higher quality clubs have better infrastructure, larger financial budgets and obtain higher percentage of funds from private sources. First-division clubs are more professionalized and have larger administrative organizational parts compared to their second and third division counterparts. The largest share of responsibility for organizational performance is on head coaches, athletes, and clubs' presidents. The sporting directors' influence on human resource management related decisions and their responsibility for the performance increase, while the influence of the clubs' presidents decreases with the quality of division. Finally, sponsors' representatives and athletes' agents are also relatively more influential in higher-ranked clubs.

*Keywords:* personnel, human resource management, non-profit organizations, basketball clubs, transition

*JEL Classification:* O15, L83, Z20

## 1. Introduction

Personnel structure and ways of conducting human resource management (HRM) processes significantly impact the organizational performance in various industries and sport is no exception, quite the opposite (e.g. Huselid and Becker 1995, Pološki-Vokić 2004, Ivašković 2015). The fact that sport clubs provide non-standardized services, which depend on quality of their personnel, boosts attractiveness of HRM

exploration in such organizations (Amis, Slack, and Berrett 1995, Chang and Chelladurai 2003, Slack and Hinings 1992, Espitia-Escuer and Garcia-Cerbian 2006, Mach, Dolan, and Tzafrir 2010, Ivašković 2014). European sports clubs operate in specific environment due to the European system of competition where better clubs advance to higher-quality ranks, while their counterparts from the bottom of league drop to the lower divisions. A competitive/complementary relationship between organizations within the same competition is another characteristic of all sport clubs, while post-transitional South-East European sport clubs also stand out for their specific historical context and consequential non-profit legal status. Even in highly commercialized sport branches like basketball sport clubs preserved non-profit status regardless of legal environment development which in most of these countries enabled the transformation to for-profit organizational forms. Non-profitability, on the other hand, suggests a wider range of organizational purposes and thus also a wider spectrum of potential strategic orientations (Moyo, Duffett, and Knott 2020, Ivašković 2019, Miragaia, Ferreira, and Ratten 2017). However, the analyses of implications the specific development has had on personnel structures and HRM policies seem to be lacking.

The purpose of this study is thus to explore and to present the actual situation of the selected organizational aspects with an emphasis on the personnel structures and HRM specifics of basketball clubs from four South- East European post-transitional countries. The study has been carried out in the context of a wider research at the Faculty of Economics, University of Ljubljana, with the aim of analyzing the differences between clubs at different quality levels. The first part of article presents the post-transitional context of observed basketball clubs and explains the reasons for non-profitability. In the second part by conducting analyses of variance ant t-tests we highlight the differences between clubs at different quality levels regarding financing and the degree of professionalization, and describe the implications on the personnel structures. Finally, the last part analyzes the impact of various stakeholders on HRM processes, and in that context presents the head coach's role in observed basketball clubs.

## 2. Specifics of basketball clubs in post-transitional South-East European countries

Basketball is certainly one of the most popular branches of sport industry in the world, and is in terms of financial interests surpassed only by football (soccer) (Sanchez, Barajas, and Sanchez-Fernandez 2019, Barget and Chavinier-Rela 2017). Although it originates in USA, its popularity on other continents is not significantly lower. In particular, European basketball has made an extremely large qualitative and organizational step forward in the last 30 years. However, although some countries try to copy certain organizational elements from the NBA (National Basketball

Association), the majority of European basketball leagues remain faithful to the traditional system where the best clubs are promoted to higher ranked competitions while the least successful clubs drop out to lower level league (Fort 2020). Moreover, European basketball clubs cannot rely on the education system for the development of athletes. They have to develop young athletes on their own which implies mixed organizational structures consisting of professional and amateur parts. It also affects the structure of teams which are composed of professionals and amateurs. European basketball clubs therefore have a specific production process which was described by Kern and others (2012) and significantly affects clubs' HRM systems. The latter reflects through (Ivašković 2015, p. 234–235):

a) Shorter athletes' working periods and accelerated HRM processes.
b) The duality of the HRM systems (processes which refer to athletes, includes special rules with usually higher responsibility of the head coach).
c) Highly developed labor market of top athletes.
d) Athletes are also acquired through clubs' own educational system, even before they enter into the labor market.
e) The duality of the organizational structures which involve amateurs and professionals.

Although competitions in each European country are held under the auspices of national basketball federations, the Adriatic Basketball Association (ABA) associates clubs from various South-East European countries (Bosnia and Herzegovina, Croatia, Montenegro, Serbia and Slovenia), and occasionally also from other countries like Israel, Hungary and the Czech Republic. It was established in 2001 with the aim of increasing the quality of basketball and consequently raising the public and commercial interests. The majority of these basketball clubs operate as non-profits regardless of legislation which offers possibilities of transformation (Ilešič 2004). While in Slovenia the latter is explicitly prevented by national basketball federation by allows membership only to non-profits, the cases from other countries have shown that the transformation in practice takes place only when a given club is on the edge of bankruptcy. This has multiple consequences; first, managements of these organizations are not in the position to choose the legal structure, which affects the structure of sponsorships (Dietl and Weingärtner 2011, Wicker et al. 2012). Thus, the post-transitional basketball clubs might obtain significantly higher proportion of funds from public institutions (Škorić, Bartoluci, and Čustonja 2012), which on the other hand could sow a seed of conflict between public and private stakeholders regarding organizational objectives and strategies (Junghagen 2018), including HRM policy and the structure of personnel.

## 3. Sample and data collection

The research was conducted among men's basketball clubs in Bosnia and Herzegovina (BiH), Croatia, Serbia, and Slovenia. Regardless of different development of the legal environments in these countries, all basketball clubs have retained the non-profit status. Although basketball clubs indeed entail only one branch of sport industry, according to the size and financial budgets they can be considered as representatives of other non-profit sport clubs from this part of Europe. At the time of conducting research, there were 249 basketball clubs in all four countries. 73 presidents of management boards were willing to cooperate, which represents a response rate of 29.3% and is sufficient for carrying out the statistical analysis (Položki-Vokić 2004, Becker and Huselid 1998). The sample consisted of 27 first division clubs (the highest national level of competition), 31 second division clubs and 15 clubs from the third level of national competitions in the selected countries. Nine of the 27 first division clubs also participated in international Adriatic Baskeball League (ABL). The participants (presidents of management boards) had at the time on average 4.87 (SD = 3.70) years of management experience in the current club and had held their presidential position in particular club for an average of 2.53 (SD = 1.36) years.

## 4. Financing

This research attempted to continue the work of scholars from the Faculty of Sport in Ljubljana (Erčulj 2007), who analyzed the structure of the Slovenian basketball clubs' funding specifics and organizational characteristics, and showed the existence of significant differences between clubs at different levels of competition. Our research continued the exploration in broader area beside financing specifics also included evaluation of basketball clubs' infractructure. Data were collected from objective sources, mainly from annual reports, while the quality of the infrastructure was assessed by management members on the 7-point Likert scale ('1' indicating that the infrastructure was insufficient and in extremely poor condition, while '7' denoted extremely well condition of infrastructure).

The results showed the average size of the club's budget was 444,159 EUR. Table 1 shows that the average annual budget of the first divisions' clubs amounted to just under 1.2 million EUR, which was greatly contributed by a group of ABL clubs which also participated in international competitions. The latter had in that season an average budget of 2.7 million EUR. Significantly lower were the amounts of the annual budgets of clubs from second (0.04 million EUR) or lower national divisions (below EUR 0.03 million). The statistical analysis of variance (ANOVA) confirmed the statistically significant difference between the clubs in different divisions with a moderate difference ($F = 14.736$, $p = 0.000$, $ES = 0.309$). However, that difference was not statistically significant between the second and lower division clubs. The difference

therefore existed only between the first division clubs and others. A similar conclusion was derived from the t-test results, which confirmed the statistically significant difference between the clubs that participated in international competitions (ABL clubs) and others (t = 6.244, p = 0.000, ES = 0.792). The results also show the clubs from the first national divisions were mostly financed from private sources, while a larger proportion of club budgets from the second and lower national leagues was filled from public sources. Of course, it is necessary to remind that from the aspect of the absolute amount it should not be assumed that the clubs at lower quality levels receive more public funds; only the percentage of public funds is higher in their annual budgets.

The differences in the capacity of the sport halls were statistically significant between clubs at various levels within national championships (F = 10.340, p = 0.000, ES = 0.228), and even greater between clubs competing at international level (ABL clubs) and others (t = 5.676, P = 0.000, ES = 0.784). The significant difference, however, was not confirmed between the second and lower division clubs. Interestingly, the differences between clubs at different levels of quality were not confirmed by the subjective assessment of the infrastructure quality. A statistically significant difference existed only between the ABL clubs and others (t = 2.384, p = 0.020, ES = 0.074). Therefore, we might say that larger amounts of financial resources are available to the higher ranked clubs. They are also financed from private sources in higher percentage and play in larger halls, especially the ABL segment of clubs.

Table 1. The size of the annual budgets, the share of private funding, the capacity of the sport halls and the perception of infrastructure quality

| Level of competition | Budget (EUR) | Share of private funds (in %) | The hall capacity | Perceived infrastructure quality (7-point Likert scale) |
|---|---|---|---|---|
| ABL clubs | 2,672,222 | 74.00 | 7222 | 5.89 |
| First divisions | 1,158,600 | 70.37 | 3086 | 4.89 |
| Second divisions | 44,276 | 38.66 | 698 | 4.77 |
| Lower divisions | 26,533 | 43.33 | 573 | 5.20 |
| All clubs | 444,159 | 51.33 | 1556 | 4.90 |

Note: Higher values represent a larger budget, a larger share of private funds, a larger hall and a better perception of the infrastructure quality.

## 5. The professionalization

Sport clubs form observed area have preserved dual organizational structures in the post-Yugoslav period. These structures include both, the professional and the amateur, parts of the organization. In this study quantitative as well as qualitative indicators of professionalization were used. First, the members of management boards estimated the proportion of the budget which the clubs actually spends for the professional part of the organization. Table 2 shows that the first division clubs on

average invested into the amateur part of the club slightly more than 30% of annual budget, which means this segment of clubs spends much more for the professional organizational activities. At the same time, the second and lower division clubs spend on average more than 85% of annual budgets on their amateur activities. A statistically significant difference between the first division clubs and others was also confirmed by the ANOVA analysis, while the post hoc analysis confirmed that there was no statistically significant difference between the clubs from the second and lower divisions. Similar results were also demonstrated by the quantitative professionalization indicator, namely the actual amount spent for the payments of clubs' professionals. ANOVA confirmed significant difference between the clubs from the first national divisions and the others (ANOVA: F = 9,290; p = 0,000; ES = 0,271), while the difference between the second and the lower division clubs is not statistically significant.

The difference between the number of professionals and amateurs in the organizational personnel was analyzed in the second phase of the research. As professionals were considered all professional basketball athletes and other full-time employees, while as an amateur was considered a person who received part-time pay, scholarships, or performed voluntary work at the club (Lange 2020). It can be noticed the observed basketball clubs are on average still predominantly amateur organizations, including most of the clubs from the first divisions. However, this does not apply to the clubs that compete in international competitions. On average they had more than three quarters of professional basketball staff and more than half of professional managerial and administrative personnel. In total, the first division clubs had on average one quarter of professionals among management and administration and half of professional basketball staff. The ABL clubs increased these numbers greatly, so might conclude that most of the other first division clubs were still predominantly at amateur level as they engage mostly amateur athletes and amateur administrative personnel. Second and lower division clubs are almost completely amateur organizations with a negligible share of professionals. The differences were confirmed by ANOVA (management and administration staff → F = 7.328, p = 0.001, ES = 0.196; athletes → F = 33.761, p = 0.000, ES = 0.534). Additional tests showed a statistically significant difference in both cases only between the first division clubs and others, while second and lower division clubs were not significantly different from that aspect. Similarly, the t-test confirmed the existence of statistically significant differences between top clubs that participate in international competitions and others in all four aspects of professionalization.

Table 2. Comparison of the clubs' professionalization at different quality levels

| Professionalization | M | SD | Level of competition |
|---|---|---|---|

| | | | First divisions (ABL clubs) | Second divisions | Lower divisions | Differences between groups* |
|---|---|---|---|---|---|---|
| The percentage of clubs budget invested in amateur part of organization (%) | 66.83 | 18.33 | 30.16 (18.50) | 85.50 | 95.50 | 1st and 2nd; 1st and lower |
| Costs for salaries and contracts of professionals (EUR) | 277,751 | 598,262 | 630,574 (1,543,750) | 14,507 | 2,887 | 1st and 2nd; 1st and lower |
| % of professionals in club administration management | 14.54 | 21.57 | 25.47 (58.33) | 6.86 | 5.60 | 1st and 2nd; 1st and lower |
| % professionals among athletes | 24.36 | 29.19 | 49.19 (77.22) | 8.00 | 4.20 | 1st and 2nd; 1st and lower |

Note: * - statistically significant differences at $p < 0.05$.

## 6. Personnel structure

The personnel structure of South-East European basketball clubs was compared in two steps. First, we analyzed the composition of the managerial-administrative staff and then the sports part of the organization. In total 94.5% of the managerial and administrative personnel originated from the home country in which the club was registered (Table 3). However, there is a statistically significant difference between the clubs at the highest level and others, while the difference between the second division clubs and their lower division counterparts is not statistically significant. Table 3 also shows a somewhat higher proportion of foreigners in this part of the organization in the clubs at the highest quality level. The statistically significant difference was confirmed with the t-test. The results also show the number of managerial and administrative staff increases with the quality level of the competition, which is consistent with the previous findings on the degree of professionalization. Clubs at higher quality levels engage more people who perform specialized tasks. Statistically significant differences between all three segments of clubs were confirmed (ANOVA: $F = 10.315$, $p = 0.000$, $ES = 0.241$). Especially large difference was found between top clubs and others ($M_{ABL} = 13.33$, $M_{other\ clubs} = 6.07$, $t = 4.61$, $p = 0.000$, $ES = 0.244$).

The analysis of the differences in the educational structure of the personnel shows that the education level increases with the level of competition. Statistically significant differences were confirmed among all three club segments (ANOVA: $F = 4.887$, $p = 0.010$, $ES = 0.127$). At the same time, interestingly, the difference was not confirmed between the sub-segment of ABL clubs and others ($M_{ABl} = 67.89$; $M_{other\ clubs} = 51.89$, $t = 1.754$, $p = 0.084$). Clubs were not statistically different from the aspect of the average tenure of non-sporting personnel and regarding the annual number of hours performed by volunteers, as well as regarding the average tenure of managerial and

administrative personnel. On average they stay significantly shorter time in ABL clubs which indicates a more dynamic and shorter HRM cycle in these organizations.

Table 3. Comparison of HR capital (1/2)

| Personnel | M | SD | Level of competition | | | Differences between groups* |
|---|---|---|---|---|---|---|
| | | | First divisions (ABL clubs) | Second divisions | Lower divisions | |
| % of locals among managerial and administrative personnel | 94.5 | 10.83 | 82.56 (74.00) | 98.33 | 100.00 | 1st and 2nd; 1st and lower |
| Number of managerial and administrative personnel | 7.03 | 5.03 | 9.81 (13.33) | 6.12 | 3.60 | Differences between all groups |
| % highly-educated managerial and administrative staff | 53.94 | 25.93 | 63.69 (67.89) | 53.00 | 38.87 | Differences between all groups |
| Average tenure of non-sporting personnel (years) | 10.31 | 6.35 | 8.65 (5.67) | 12.94 | 9.74 | No significant differences |

Note: * - statistically significant differences at $p < 0.05$.

Results from Table 4 lead to the conclusion that the observed clubs attract more foreign athletes than non-sporting personnel. However, this inclination doesn't seem to be strong. We can notice that, despite the higher proportion of domestic athletes and coaches, the first division clubs had more foreign members than the second and lower division clubs. The differences between the latter were not statistically significantly. As expected, the sub-segment of the top clubs engaged higher percentage of foreign athletes. From an aspect of the athletes' market value, statistically significant differences existed among all groups of clubs (ANOVA: $F = 9.119$, $p = 0.000$, $ES = 0.284$). This value reflects the estimation of the club's entire value of rights from contracts with sporting staff. Of course, top clubs had the highest value of sport personnel ($M_{ABL}$ = € 2.25M, $M_{other\ clubs}$ = € 0.07M, $t = 8.715$, $p = 0.000$, $ES = 0.891$). The number of athletes did not differ significantly among three segments of clubs, but higher ranked clubs engaged a larger number of young basketball athletes. Top clubs, of course, had the highest number of them ($M_{ABL} = 211$, $M_{other\ clubs} = 105$, $t = 4.11$, $p = 0.000$, $ES = 0.197$). Regardless of the fact that lower ranked clubs tend to engage higher percentage of locals in the club activities, first division clubs have better infrastructure and coaching staff as well as better image in public, so they usually attract more children (and their parents). Similar to managerial and administrative staff, coaching staff stays in top clubs for a shorter period. There is a difference between the first division and other clubs (ANOVA: $F = 10.962$, $p = 0.000$,

ES = 0.244), and also among top-ranked clubs compared to all other first, second and lower division clubs ($M_{ABL}$ = 2.72, $M_{other\ clubs}$ = 7.11, t = - 4.46, p = 0.000, ES = 0.043). At the same time, this difference does not exist from an aspect of the coaching staff fluctuation, with an exception of the difference between the first and second division clubs (ANOVA: F = 5.960, p = 0.004, ES = 0.149). ABL clubs are not significantly different from others (t = - 0.600, p = 0.552).

The second division clubs had on average the youngest athletes (ANOVA: F = 16.698, p = 0.000, ES = 0.323), while the eldest were on average in the lower division clubs. Top clubs did not significantly differ from others (t-test → p = 0.089). On the other hand, there was a statistically significant difference in the length of the athletes' period in the club (ANOVA: F = 3.984, p = 0.023, ES = 0.102) and in average period of participation between athletes and the head coach at the time of conducting research (ANOVA: F = 5.939, p = 0.004, ES = 0.147). Obviously, the second division clubs are more long-term oriented (ANOVA: F = 10.084, p = 0.000, ES = 0.245) which confirms the assumptions regarding pressures on the first division clubs experience in order to achieve goals as soon as possible. It is interesting, however, that the lower division clubs did not significantly differ from other segments of clubs. We see that as a consequence of the specific fluctuation dynamics in lower leagues. On the one hand, these divisions consist of stable clubs which participate in the league for many years, but on the other hand there is a considerable number of new clubs every season which seem to lose the initial enthusiasm soon and consequently cease to exist after just a couple of season. Top clubs keep athletes within the organization for significantly shorter period ($M_{ABL}$ = 2.42, $M_{other\ clubs}$ = 4.72, t = - 5.15, p = 0.000, ES = 0.072), but they paradoxically have longer contracts with the clubs than their counterparts in other clubs ($M_{ABL}$ = 1.69, $M_{other\ clubs}$ = 0.98, t = 2.05, p = 0.044, ES = 0.063). There is, however, a simple explanation for that; many athletes in other clubs are amateurs and, thus, do not sign any kind of contract.

Table 4. Comparison of HR capital (1/2)

| Personnel | M | SD | Level of competition | | | Differences between groups* |
|---|---|---|---|---|---|---|
| | | | First divisions (ABL clubs) | Second divisions | Lower divisions | |
| % of locals among athletes | 80.67 | 29.17 | 55.00 (40.66) | 93.50 | 100.00 | 1st and 2nd; 1st and lower |
| Market value of sporting personnel | 423,286 | 863.805 | 949,048 (2,250,000) | 41,737 | 2,000 | Differences between all groups |
| Number of athletes in first team | 15.08 | 3.98 | 14.93 (17.11) | 15.17 | 15.20 | No significant differences |

| | | | | | | |
|---|---|---|---|---|---|---|
| Number of athletes in youth teams | 118.28 | 80.32 | 156.11 (211.11) | 114.03 | 58.40 | 1st and lower; 2nd and lower |
| Time of current head coach in the club (in years) | 6.56 | 7.11 | 2.14 (2.72) | 9.93 | 7.47 | 1st and 2nd; 1st and lower |
| Head coach on his current position (in years) | 2.97 | 2.76 | 1.83 (2.72) | 4.17 | 2.53 | 1st and 2nd |
| Age of athletes | 23.57 | 2.50 | 23.92 (24.90) | 22.16 | 25.88 | Differences between all groups |
| Years of athletes in the club | 4.44 | 2.85 | 3.26 (2.42) | 5.04 | 5.31 | 1st and 2nd |
| Years of cooperation between athletes and head coach | 2.50 | 1.51 | 1.77 (2.39) | 3.01 | 2.8 | 1st and 2nd |
| Length of contracts (in years) | 1.07 | 0.99 | 1.51 (1.69) | 1.01 | 0.00 | 1st and lower; 2nd and lower |

Note: * - statistically significant differences at $p < 0.05$.

## 7. Influence on the HRM processes

In the next phase of research the respondents were assessing the influence of an individual or a group within the club on the determination of the HRM processes on the 7-point Likert scale (anchored at '1' - the individual or group (organizational body) does not have any kind of influence on the development of HRM strategies and practices, and '7' - the maximal influence of a particular individual or group on the design of the HRM). At the same time, the respondents had the possibility of adding another organ, club member or interest group that in their opinion influences HRM significantly. Table 5 indicates statistically significant differences between groups of clubs regarding the HRM influence. Top management is the most influential organizational organ on average in the second division club, the head coaches affect HRM the most in the first division clubs, while club presidents have the strongest influence on shaping HRM in lower division clubs. Interestingly, in the sub-segment of the first division clubs which compete at the international level the sportngi director has the greatest influence. The results also clearly show the power of the club's president decreases with the rank of competition, while the private sponsors obtain more decision-making power in higher ranked clubs. Head coaches, sport agents and sporting directors have stronger influence on HRM in first division clubs, while no statistically significant differences were found regarding their influence between the second and lower division clubs. Athletes, however, have the greatest power in the lower division clubs, while there were no statistically significant differences between clubs in the first and second divisions. Such results are not surprising, since lower ranked clubs are usually engage less people, so the same person usually performs several functions. Therefore, HRM decisions are made at higher levels in the organizational structure as well as among athletes at the same time. On the other hand, the organizational growth and higher degrees of professionalization imply

delegating decision-making to lower managerial levels and transferring HRM decisions to the specialized bodies which do not exist in lower division clubs. The t-test did not confirm significant differences between the top quality (ABL) clubs and others from the aspect of tom management's relative strength, neither regarding head coach's and athletes' influence. However, in ABL clubs the function of club president has less power to influence HRM strategy. At the same time, the influence of sponsors, basketball athletes, and sporting director in designing HRM was found to be greater in these clubs.

Table 5. Influence on the HRM processes

| Subject | M | SD | Level of competition | | | Differences between groups* |
|---|---|---|---|---|---|---|
| | | | First divisions (ABL clubs) | Second divisions | Lower divisions | |
| Club president | 5.05 | 1.91 | 4.00 (3.33) | 5.19 | 6.67 | Differences between all groups |
| Top management | 5.38 | 1.43 | 5.19 (5.56) | 5.26 | 6.00 | No significant differences |
| Sponsor representatives | 3.22 | 1.71 | 4.22 (4.33) | 3.13 | 1.60 | Differences between all groups |
| Head coach | 5.05 | 1.53 | 5.89 (5.22) | 5.03 | 3.60 | 1st and 2nd; 1st and lower |
| Agents | 2.00 | 1.24 | 2.96 (3.56) | 1.55 | 1.20 | 1st and 2nd; 1st and lower |
| Athletes | 4.31 | 1.34 | 4.07 (3.56) | 3.83 | 5.67 | 1st and lower; 2nd and lower |
| Sporting director | 4.40 | 2.10 | 5.65 (5.89) | 4.07 | 2.80 | 1st and 2nd; 1st and lower |
| Others | 1.83 | 1.46 | 1.67 (3.00) | 2.21 | 1.00 | No significant differences |

Note: * - statistically significant differences at $p < 0.05$.

## 8. The role of the head coach in HRM

The head coach is the key person who connects the organizational management and the sport team. Due to his/her mediating function, we may see the head coach as some kind of middle manager who is responsible for the sport results of a club. Consequently, he/she has a considerable share of responsibility in the field of HRM. In this study the representatives of clubs' management assessed the influence of head coach on individual processes within HRM. 7-point Likert scale was used to measure the head coach's impact in each HRM phase. The scale was anchored at the extremes "*the head coach has no influence*" (1), and "*the head coach has relatively the greatest impact in the particular stage of HRM among all club members* (7). Results are shown in Table 6. We can notice that head coaches have the greatest influence on the training and leadership phases ("training composition", "determining the game strategy", and "leading the team during matches"). They also have very strong influence on the selection of athletes and their performance evaluation. Moderate impact was noticed in the phase 'scouting in attracting' (head-hunting) athletes, and relatively weaker

influence on the decisions regarding athletes' dismissal, compensation system, and in the process of negotiation. Interestingly, there were no significant differences between the first and second division clubs, with exception of slightly stronger impact of first division coaches on athletes' dismissal processes. Head coaches in these two groups have greater authority in all observed phases of HRM than coaches in lower division clubs except in the 'selection' and 'performance evaluation'. This is most likely the consequence of the fact the entire HRM process in lower division clubs takes place in a slightly more relaxed atmosphere, where the decisions are made in more democratic way compared to professional clubs with a larger proportion of contractually regulated relations. At the same time, the head coaches in the sub-segment of the ABL clubs have slightly greater influence on negotiating process, on non-financial compensation and show stronger impact on the decisions about athletes' dismissals.

Table 6. Head coach's influence on HRM

| HRM phase | M | Level of competition | | | Differences between groups* |
|---|---|---|---|---|---|
| | | First divisions (ABL clubs) | Second divisions | Lower divisions | |
| Scouting | 5.26 | 5.37 (4.89) | 5.68 | 4.20 | 1st and lower; 2nd and lower |
| Negotiating | 2.93 | 3.22 (4.33) | 3.61 | 1.00 | 1st and lower; 2nd and lower |
| Selection | 6.00 | 5.93 (6.00) | 5.87 | 6.40 | No significant differences |
| Training | 6.19 | 6.70 (6.89) | 6.81 | 4.00 | 1st and lower; 2nd and lower |
| Game strategy | 6.34 | 6.85 (6.78) | 6.65 | 4.80 | 1st and lower; 2nd and lower |
| Game leadership | 6.27 | 6.93 (7.00) | 6.81 | 4.00 | 1st and lower; 2nd and lower |
| Evaluation of performance | 6.18 | 6.22 (5.78) | 6.03 | 6.40 | No significant differences |
| Financial compensation | 3.01 | 3.73 (3.33) | 3.39 | 1.00 | 1st and lower; 2nd and lower |
| Non-financial compensation | 3.34 | 4.37 (4.56) | 3.58 | 1.00 | 1st and lower; 2nd and lower |
| Athletes' dismissal | 4.42 | 5.07 (5.44) | 4.16 | 3.80 | 1st and 2nd; 1st and lower |

Note: * - statistically significant differences at $p < 0.05$.

## 9. Responsibility

Respondents from the top management defined to what extent an individual in the club is responsible for the organizational performance on the 7-point Likert scale. Responsibility in this context was defined as the severity of the consequences that the individual or organizational body faces after the process of organizational performance assessment. The scale was anchored by extremes *the individual or club organ is not responsible at all* (1), and *the highest degree of responsibility in the club* (7). Table 7 shows the function of the head coach is the most exposed in all three groups of clubs. Head coach indeed is the most responsible for club performance and feels the strongest (positive or negative) consequences at the end of the season.

However, in the sub-segment of top clubs, the function of the club president seems to be slightly more exposed. From the responsibility aspect, the position of head coach is followed by the athletes, especially in the first division clubs, while in lower leagues they have somewhat lower responsibility. That result is not surprising, since lower divisions' athletes are mostly amateurs; they are paid less and thus also less responsible for organizational performance. In the hierarchy of responsibility the sport team members are followed by the function of club president and the collective body of top management. The director is on the fifth position, his/her responsibility increases with the quality of the competition, and has in the segment of first division clubs higher responsibility than the president. In ABL clubs somewhat higher responsibility have club president, head coach, top management, and sporting director.

Table 7. The degree of responsibility

| HRM phase | M | Level of competition: First divisions (ABL clubs) | Second divisions | Lower divisions | Differences between groups* |
|---|---|---|---|---|---|
| Club president | 5.42 | 5.19 (7.00) | 5.34 | 6.00 | No significant differences |
| Top management | 5.31 | 5.22 (6.67) | 5.34 | 5.40 | No significant differences |
| Sponsor representatives | 2.82 | 3.26 (3.33) | 2.10 | 3.40 | Significantly lower responsibility in second division clubs |
| Head coach | 6.39 | 6.44 (6.89) | 6.34 | 6.40 | No significant differences |
| Agents | 2.67 | 2.73 (2.78) | 1.62 | 4.60 | Differences between all groups |
| Athletes | 5.61 | 6.19 (5.44) | 5.59 | 4.60 | Significantly lower responsibility in lower division clubs |
| Sporting director | 4.31 | 5.63 (6.00) | 3.86 | 2.80 | Significantly higher responsibility in first division clubs |
| Others | 1.93 | 3.33 (4.00) | 2.17 | 1.00 | Significantly higher responsibility in first compared to lower division clubs |

Note: * - statistically significant differences at $p < 0.05$.

## 10. Conclusions

The majority of basketball clubs from the selected South-East European countries still operate as non-profit organizations. They have preserved the latter regardless of the fact the legal frameworks in these countries enable transformation in profit entities. At the same time, despite the common legal form, there are significant differences between higher and lower ranked clubs. This study reveals the following:

a) The annual budgets increase with the rank of competition.

b) Quality of club's infrastructure improves with the quality of competition.
c) Lower ranked clubs have larger share of public funds in their annual budgets.
d) First division clubs are predominantly professional organizations, while second and lower division clubs operate as amateur organizations.
e) Clubs at higher quality levels compared to their counterparts in lower divisions have larger administrative parts, which include significantly higher proportion of highly educated personnel.
f) Personnel on managerial and administrative functions are mostly people from the local environment in all segments of clubs. However, top clubs tend to engage more foreigners.
g) Head coaches, athletes, and club presidents are the most responsible for the organizational performance.
h) The influence of the sporting director on HRM processes increases with the rank of competition, while the influence of the club president decreases.
i) The external stakeholders (namely sponsor representatives and athletes' agents) are more influential in higher ranked clubs which indicates processes of professionalization, decentralization and outsourcing.

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