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**Stakeholder influence strategies in bidding for a professional sport franchise
license**

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Running head: Stakeholder influence strategies

Abstract

This paper examines an application for a franchise license in Australia's professional rugby league competition, the National Rugby League (NRL). Frooman's (1999) typology of stakeholder influence strategies is used to analyse the negotiation of resource relationships between a Gold Coast franchise bid team and its key stakeholders. Primary data came from 12 interviews with nine key actors in the bid process; these were buttressed by secondary data. Frooman's typology provided a useful heuristic, but did not fully account for the critical role of firm legitimacy in stakeholders' choice of influence strategies. The bid team negotiated stakeholders' initial direct withholding strategies by creating access to the intangible resource of legitimacy. This subsequently provided access to material resources such as finance, a new stadium, and, ultimately, a franchise license. The findings are of note to practitioners and scholars interested professional sport and stakeholder theory.

Key Words: Stakeholder theory, strategic management, professional sport, legitimacy, influence strategies

Introduction

In 1995, the introduction of pay-TV in Australia sparked a divisive battle between media companies for the broadcast rights of Australian rugby league (Rowe, 1997). By 1998, the conflicting parties reached agreement and the National Rugby League (NRL) was formed as a joint venture between the media conglomerate, News Limited, and the Australian Rugby League (ARL), the code's national governing body in Australia. Presently, the NRL is one of Australia's most popular professional sport leagues, and is comprised of franchises from across the eastern states of Australia, plus one from Auckland, New Zealand (McGaughey & Liesch, 2002). This study explores how a consortium from Queensland's Gold Coast negotiated resource relationships with its key stakeholders in its successful bid for an NRL franchise license.

The NRL is one of five major professional sport leagues in Australia. The other leagues are the Australian Football League (AFL), Super 14 Rugby Union, A-League Soccer, and the National Basketball League. All four of Australia's football codes have expanded their national leagues over the last two decades. Complementing this growth, an increasing number of cities and regions have sought representation in national leagues. The economic and tourism impacts of professional sport franchises on cities have been explored elsewhere (c.f. Higham & Hinch, 2003; Leonard, 1998). Meanwhile, Shropshire (1995) discusses the social benefits that being perceived as a "big league city" can bestow; and Sparvero and Chalip (2007) propose a model by which a host community can leverage the presence of a professional sport franchise for economic and social benefit.

Meanwhile, Rascher and Rascher (2004), and Dickson, Cousens and O'Brien (2005) explore league expansion issues in professional sport. And interestingly,

Dickson, Arnold and Chalip (2005) examine the expansion of the Victorian Football League (VFL) in the 1980s. The authors address the nature of interorganisational power relationships between the league's governing body and clubs seeking to join the league – the VFL's key stakeholders during the expansion process. The term "stakeholder" refers to, "any group or individual who can affect or is affected by the achievement of organizational objectives" (Freeman, 1984, p. 25). This somewhat broad definition has since been refined. Clarkson (1995) distinguishes a *primary* stakeholder as, "one without whose continuing participation the corporation cannot survive as a going concern" (p. 106). Thus, a consortium seeking inclusion in a professional sport league, referred to in this study as a "franchise bid team," is dependent on primary stakeholders for the resources it needs to achieve entry into the focal league. This resource dependency suggests the influence of power relationships in the franchise bid process. In this context, power is, "structurally determined in the sense that the nature of the relationship – that is, who is dependent on whom and how much – determines who has power" (Frooman, 1999, p. 196). From this perspective, power is thought of as a characteristic of the relationship between actors, not as a trait of the actors themselves (Frooman, 1999).

Researchers such as Clarkson (1995), and Mitchell, Agle and Wood (1997) examine power within stakeholder relationships. However, like Freeman's (1984) seminal work, most stakeholder research addresses managerial behaviour taken in response to stakeholders, rather than the behaviours of the stakeholders themselves. This prompted Frooman (1999) to propose a working heuristic to address *stakeholders'* strategic behaviours, rather than the firm's. He argues that,

knowing how stakeholders may try to influence a firm is critical knowledge for any manager. After all, for managers to act strategically and plan their actions . . .

presupposes that they have some idea of how others in their environment will act (Frooman, 1999, p. 203).

Therefore, Frooman (1999) proposes a typology of stakeholder influence strategies, which forms the core of this study's theoretical underpinnings. The study's purpose was to understand the negotiation of resource relationships between a professional sport franchise bid team and its key stakeholders. In so doing, the study places stakeholder theory in a specific and under-researched context – professional sports league expansion. This further makes a contribution to stakeholder theory, and builds on the work of Dickson and his colleagues (2005). In the next section, the study's research context is presented.

The Research Context

The Gold Coast is a city in the south-east corner of Queensland, and is part of Australia's fastest growing region with a population of approximately 500,000 (ABS, 2001), and an estimated growth rate of 3.4% per annum from 2000 to 2005 (Gold Coast City Council, 2005). This makes the Gold Coast Australia's sixth largest city, and its largest non-capital city (Gleeson, 2005). Despite this, the Gold Coast has a somewhat dubious history in hosting professional sport franchises. National league franchises in Australian Rules football, basketball, and baseball have all been located on the Gold Coast, but either relocated or failed in 1993, 1996 and 1999, respectively (Australian Baseball Federation, 2003; Brisbane Lions, n.d; National Basketball League, 2003).

The Gold Coast has also hosted professional rugby league franchises. In 1988, the Gold Coast Tweed Giants was formed and, two years later, was taken over by the Tweed Heads Seagulls Leagues Club and re-named the Gold Coast Seagulls. By 1995, its main financial backer withdrew support and the franchise was taken over by

the Australian Rugby League (ARL) and re-named yet again, the Gold Coast Chargers. However, in the aftermath of the broadcast rights battle between News Limited and the ARLⁱ, the NRL revoked the Chargers' license in 1999 as part of a rationalisation process (Gold Coast Rugby League, 2004).

Therefore, by 1999, the Gold Coast had no national league presence in any professional sport. Following the Chargers' exclusion in 1999, however, a Gold Coast consortium began lobbying almost immediately for a new NRL franchise license. A six-year process ensued that culminated on May 27th 2005 when the NRL announced that the Gold Coast Titans would receive the 16th franchise license to enter the league in 2007. The Gold Coast was not the only city pursuing a 16th NRL franchise license. Competing bids from Wellington, New Zealand, and the Central Coast in New South Wales were also advanced. Thus, to achieve entry to the NRL, the Gold Coast consortium entered into a protracted bid process; this bid process forms the context of this study. In the next section, the theoretical foundations of the study are presented. This is followed by a discussion of the research methods employed. Then, the study's results are presented, before a brief concluding section that discusses the implications of the research.

Theoretical Background

In Freeman's seminal 1984 work, he contended that, "The stakeholder approach is about groups and individuals who can affect the organization, and is about managerial behaviour taken in response to those groups and individuals" (1984, p. 48). Since Freeman (1984), numerous researchers have continued to extend this early work (cf., Clarkson, 1995; Donaldson & Preston, 1995; Frooman, 1999; Hendry, 2005; Mitchell, et al., 1997; Phillips, 2003; Rowley, 2007; Rowley & Moldoveanu, 2003; Voss, Voss & Moorman, 2005). For example, Frooman (1999) contends that

while stakeholder theory has helped develop our understanding of firm behaviour in response to stakeholder actions, consideration of the strategic behaviours that stakeholders select to elicit changes in firm behaviour remains lacking.

From a managerial perspective, it may seem counterintuitive to focus on the strategic behaviours of stakeholders rather than the strategic responses of a focal organisation. Indeed, Amis, Slack and Hinings (2004) investigate the strategic responses of Canadian national sport organisations to changes in their environment. Meanwhile, Oliver (1991) proposes a typology of strategic responses that firms might employ in response to institutional pressures from their environment; and O'Brien and Slack (2004) use this typology to analyse a sport organisation's responses to pressures from stakeholders in its environment. Interestingly, Frooman (1999) argues that the corollary perspective is also critical. That is, it is also important for managers to understand how their *stakeholders* respond to such pressures in trying to influence firm behaviour. He notes that, "to be really useful to a firm trying to manage its stakeholders, stakeholder theory must provide an account of how stakeholders try to manage a firm" (Frooman, 1999, p. 192). To this end, Frooman's typology depicts the types of influence strategies stakeholders might choose under different circumstances. This typology, and the concept of resource dependence, is explained in the following sub-section.

Frooman's (1999) typology of stakeholder influence strategies

Frooman (1999) grounds his typology in resource dependence theory. Resource dependence is built on the notion that organisations are not completely self-sufficient, but are reliant upon other organisations in their environment to provide the resources they need for survival (Pfeffer & Salancik, 1978). This external control of organisations is at the core of the resource dependence perspective. As Pfeffer and

Salancik note, “for continuing to provide what the organization needs, the external groups or organizations may demand certain actions from the organization in return” (1978, p. 43). Thus, Frooman was interested in understanding how external stakeholders behave in relation to the firms that are dependent on them for resources.

In Hendry’s (2005) empirical application of Frooman’s typology, she finds that, “a substantial amount of the empirical evidence collected supported Frooman’s (1999) model” (Hendry, 2005, p. 79). However, Hendry concludes that Frooman’s model is “too parsimonious” (p. 98) in that it fails to adequately account for stakeholders’ alliance formation behaviours. Such behaviours may in part be explained by Rowley and Moldoveanu (2003), who frame their research around the question, “When do stakeholder groups take action to influence the focal organization?” (p. 204). They propose that stakeholders are mobilised into action not only by interest-driven organisational behaviour, but also by the desire to express an identity. Thus, like all typologies, Frooman’s is not without its inadequacies. It depicts “ideal” phenomena that may or may not exist in reality. However, what typologies such as Frooman’s provide are heuristics with which researchers can develop understanding of complex organisational phenomena.

Frooman (1999) identifies different types of resource relationships in terms of dependencies. Dependence within firm and stakeholder relationships is related to the control of resources, whether these resources be financial, physical, or informational (Molm, 1989; Pfeffer, 1992; Pfeffer & Salancik, 1978). As many researchers have demonstrated, dependence leads to power (Frooman, 1999; Frooman & Murrell, 2005; Molm, 1989, 1990, 1991; Molm, Peterson & Takahashi, 1999; Pfeffer, 1981, 1992, 1997; Pfeffer & Salancik, 1978). Power in resource relationships may be asymmetrical, where one actor is more powerful than others due to that actor’s control

of critical resources. Alternatively, a symmetrical power relationship occurs when there is an equal level of dependency between actors. It is important to note here that Frooman (1999) deviates from more traditional views on power, viewing it as an attribute of firm-stakeholder resource relationships, not of the actors themselves. He defines four types of resource relationships: stakeholder power, firm power, low interdependence, and high interdependence. In reality, levels of power and dependence range within these variables. However, like all typologies, Frooman's work depicts "ideal types" that are helpful for understanding the nature of the focal resource relationships.

Frooman's (1999) typology illustrates the connection between resource relationships and stakeholder strategy selection. As stakeholder power is determined by the nature of dependency (Molm, et al., 1999), the direction and extent of dependency determines the power advantage within a particular firm-stakeholder relationship (Frooman, 1999). Frooman's influence strategies are underlined by two defining aspects of stakeholder relationships: (1) resource control; and, (2) influence pathways. Each set of influence strategies and their respective characteristics are depicted in Table 1, and explained below.

INSERT TABLE 1 ABOUT HERE

Resource control strategies: As depicted in Table 1, Frooman's (1999) resource control strategies divide into two types: withholding and usage strategies.

Withholding strategies occur when a stakeholder discontinues, or threatens to discontinue, the supply of resources to a particular firm with the intention of forcing change in certain behaviours. The stakeholder threatening withdrawal must have the ability, or at least, be perceived to have the ability, to walk away from the relationship and survive if a threat must actually turn into action. When this is not possible and a

stakeholder is unable to shut off the flow of resources to a firm, Frooman suggests a second type of resource control strategy, that of usage. Usage strategies occur when dependence is more evenly shared and the stakeholder cannot afford to shut off the flow of resources. Thus, rather than completely withholding resources, the stakeholder attaches conditions to their continued supply (Frooman, 1999). Similar to withholding strategies, despite resistance, usage strategies are used to drive change in firm behaviours. Obviously, when interdependent relationships exist, actors are more prone to simply accommodate the needs of each other (Frooman, 1999).

Influence pathways: Frooman's (1999) second set of stakeholder strategies relate to the identity of the actor supplying resources to a firm. Indeed, withholding and usage need not always be undertaken by a stakeholder, but may be performed by an ally of the stakeholder that has an established relationship with the focal firm (Frooman & Murrell, 2005). The existence of such allies opens up pathways of direct and indirect influence through which the stakeholder can exert resource control (Frooman, 1999; Frooman & Murrell, 2005; Gargiulo, 1993). As resource relationships are often embedded in other relationships, multiple pathways of stakeholder influence can emerge. Thus, Frooman (1999) identifies two influence strategies: direct and indirect.

Direct influence strategies are where the stakeholder manipulates the flow of resources unilaterally. This often occurs in relationships of high dependence, when a firm must be directly responsive to the demands of the stakeholder supplying resources necessary for its survival (Pfeffer & Salancik, 1978). Meanwhile, indirect influence refers to the circumstance where, "a stakeholder works through an ally, by having the ally manipulate the flow of resources to the firm" (Frooman, 1999, p. 198). Indirect influence is founded upon communication among allies, which connotes political activity and coalition building among stakeholders. Hendry (2005) found that

alliance-building among stakeholders is particularly prevalent when they seek to influence firm behaviour. Such alliance formation implies a modicum of common interests among stakeholders. However, stakeholders' interests can be multiple and dynamic; and Voss, et al. (2005) demonstrate that entrepreneurial managers must execute a "complex balancing act" (p. 1132) to secure support.

Table 2 indicates the firm-stakeholder relationships that Frooman (1999) suggests lend themselves to the employment of particular influence strategies. In relationships of low interdependence, indirect and withholding influence strategies are appropriate. In relationships where stakeholders hold power, direct and withholding strategies are used. Alternatively, stakeholders use indirect and usage strategies to influence firm behaviour in relationships where the firm is more powerful than its stakeholders. Finally, in resource relationships of high interdependence, stakeholders typically employ direct and usage influence strategies.

INSERT TABLE 2 ABOUT HERE

This research utilises Frooman's typology to analyse the management of firm-stakeholder resource relationships in the context of a professional sport franchise bid, with the "firm" being the Gold Coast bid team, and the key stakeholders, as identified by the bid team members themselves, being the NRL, and public sector actors from local, state and federal levels of government. Central to the study was the identification of dependency in each resource relationship, and the strategies employed by stakeholders to exert influence over the bid team's behaviours. The next section outlines the research methods employed, and is followed by a discussion of the study's results.

Method

In the following subsections, the study's research design, data collection, data analysis, and limitations are explained.

Research Design

The purpose of this research was to analyse the negotiation of resource relationships in a professional sport franchise bid. Case studies are a means of enquiry that arise out of the desire to explore and understand complex social phenomena in a specific context, and allow the retention of holistic and meaningful characteristics of real life events (Pettigrew, 1987; Yin, 2003). The design of a case study is critical to deriving meaningful insights.

Yin (2003) outlined five components of research design: study questions; study propositions (i.e. conceptual underpinnings); unit of analysis; linking data to propositions; and, criteria for interpreting a study's findings. Each respective component is addressed below. First, the questions addressed by this study focused on understanding the negotiation of resource relationships between a professional sport franchise bid team and its key stakeholders. Second, Frooman's (1999) typology of influence strategies underpinned the research and facilitated an analysis of the strategic behaviours employed by key stakeholders in their negotiation of resource access and dependencies. Clearly, professional sport franchises have many stakeholders that include sponsors, players' unions, and local business, sport and residential communities, to name but a few. To identify stakeholders to inform this study, three bid team members were interviewed first and were asked to nominate those stakeholders they considered most critical to the bid's success. These key stakeholders, as identified unanimously by bid team members, were: the NRL, the Gold Coast City Council (GCCC), the Queensland State Government, and the Australian Federal Government.

Third, determining the unit of analysis relates to the fundamental process of defining what the case is (Yin, 2003). The case being studied in this research was the Gold Coast's efforts to gain a franchise license for entry to the NRL, and the strategic behaviours employed by stakeholders that influenced the achievement of this goal. The fourth and fifth components are interrelated. Yin (2003) suggested that data analysis can be enhanced through pattern matching, which is a process where data are linked and related to an established theoretical approach (Campbell, 1975). In this case, Frooman's (1999) typology of influence strategies provided the heuristic for pattern matching. This leads to the fifth component of case study research, the criteria for interpreting a study's findings. Analytical codes were developed from Frooman's (1999) typology of stakeholder influence strategies; these codes are explained later in the data analysis subsection. The analysis was a "continuing dialogue" (Hargreaves, 1986) between the emerging data and Frooman's work.

Data Collection

Both primary and secondary data were collected. Primary data came from 12 semi-structured interviews with nine individuals: three bid team members, three Gold Coast City Councillors, two senior NRL officials and one Federal Member of Parliament. To ensure accuracy and to verify unfolding events, one NRL actor, one Gold Coast City Councillor, and one bid team member were interviewed twice. Interviews provide in-depth exploration into inconsistencies, contradictions and paradoxes that define daily life, and enhance understanding of what happened, how it happened, and why (Pettigrew, 1990; Pettus, 2001). The interviews were conducted over a two-month period through June and July of 2005, and ranged from 30 to 90 minutes in duration. Interviewees were initially identified through secondary data sources, such as newspaper and Internet articles. A snowball sampling method

(Oakes, Townley & Cooper, 1998; Page & Myer, 2000) was then incorporated, where further actors were identified through previous interviewees. Two public presentations made by a bid team member were also attended by the researchers. Contact was also made with the Queensland State Government. However, due to the State Government's confidentiality concerns, interviews were declined. This is discussed further in the “Limitations” section.

Interview questions focused on developing an understanding of the resource relationships between the bid team and its key stakeholders, and of the strategic behaviours employed by the stakeholders in light of these relationships. For example, after the customary rapport-building at the beginning of interviews, interviewees were asked to identify the stakeholders they perceived as most critical to bid success. As interviews progressed, questions such as, “So what were the most critical resources that “Stakeholder x” controlled?” Then, to get at the types of control strategies employed, questions such as the following were posed, “So what types of demands did Stakeholder x place on the supply of those resources?” Similarly, to explore stakeholders’ use of influence pathways, general questions such as “How did they make those demands known to you?” were asked. Depending on stakeholders’ answers, further probing questions were asked to explore issues such as alliances and influence among stakeholders. Collection of primary data continued until theoretical saturation was reached; that is, when additional data produced minimal new knowledge and understanding (Strauss, 1987). All interviews, with permission, were audio recorded and transcribed verbatim for analysis. Following ethical guidelines, transcriptions were stored and coded to protect respondents’ anonymity.

Collection of secondary data was an ongoing process. These data included press coverage from local and national newspapers, and television and radio

broadcasting; the official websites of the NRL, the GCCC, the Queensland State Government, and later, the Gold Coast Titans; and last, documentation such as planning documents and recruitment materials supplied by the bid team. In addition, a research journal containing field observations and notes made during research visits was incorporated into the collection of data. These multiple sources of evidence created a "convergent line of enquiry" (Yin, 2003, p. 98). This approach allowed the incorporation of a broader range of information and led to the achievement of data triangulation, thus, decreasing the influence of any inherent biases while increasing the likelihood of accuracy and quality in the study (Creswell, 2003).

Data Analysis

The analysis of primary and secondary data was an iterative process, occurring both during and after data collection. The data were coded according to codes derived from Frooman's typology of stakeholder influence strategies (see Table 2). The main codes centred around three key areas: (1) types of bid team-stakeholder relationships (evidence of dependencies); (2) types of resource control strategies used by stakeholders (evidence of withholding and/or usage strategies in bid team/stakeholder relationships); and, (3) types of influence pathway strategies used by stakeholders (evidence of the use of direct and/or indirect influence pathways by stakeholders). Sub-codes were then developed within each of the main codes. For example, in Code 1 (types of bid team-stakeholder relationships), data that provided evidence of (1[a]) low interdependence, (1[b]) high interdependence, (1[c]) stakeholder power, or (1[d]) bid team power, were categorised as such. Similarly, in Codes 2 and 3, data were categorised into sub-codes according to whether they provided evidence of withholding (2[a]), usage (2[b]); and direct influence pathways (3[a]), or indirect influence pathways (3[b]). In addition to the three main codes above, the notion of

stakeholder legitimacy emerged throughout the course of the study, and was incorporated into the analysis as a fourth and emergent code.

Content analyses of all interview transcripts and secondary data were carried out in this way. Critical passages that indicated any of the codes above were highlighted and memos noted throughout, which allowed recording of initial interpretations (Creswell, 2003). Throughout the study period, the relevant literatures were continuously revisited and reflected upon in light of the data and the unfolding progress of the bid. This analytical process assisted in further illuminating meaning within the data (Creswell, 2003). However, the study was not without its limitations, as discussed below.

Limitations

A number of limitations associated with the case were unavoidable. For example, the Gold Coast franchise bid began in 1999; however, the study was conducted in 2005. This six-year time lapse may have affected interviewees' respective abilities to recall details of the process. Furthermore, several confidentiality issues hindered data collection procedures. In particular, the bid team was financially resourced by three anonymous investors. The investors' confidentiality was a precondition placed upon the conduct of the study, thus, no data were forthcoming from this source. However, given the investors' extremely close working relationship with the bid team, they were treated as part of the bid team, rather than external stakeholders as such. Finally, the Queensland State Government's refusal to participate in the study due to confidentiality concerns was unfortunate, but unavoidable. While certainly not a full replacement for in-depth primary data, secondary data from mass media reports that referred to State Government involvement in the bid process were used to supplement this source. Also, for all data

that related to the Queensland State Government, respondents were asked to provide their respective versions of the events these data pertained to. Using these “converging lines of inquiry” (Yin, 2003, p. 98) increased the quality and rigour of the data, and its collection and analyses. In the following section, the results of the study are discussed.

Results and Discussion

Frooman (1999) argues that the nature of a firm-stakeholder resource relationship is the prime determinant of a stakeholder’s choice of influence strategy. An influence strategy refers to the process through which a stakeholder attempts to leverage a firm’s dependence on it to force some change in firm behaviour (Frooman, 1999; Long, Thibault & Wolfe, 2004). In this study, Frooman's typology was used to analyse how the key stakeholders of the Gold Coast NRL franchise bid team – namely, the NRL, the GCCC, the Queensland State Government, and the Australian Federal Government – acted strategically in attempts to control certain behaviours of the bid team.

At the outset of the bid process, the relationships between the Gold Coast Bid Team (GCBT) and its respective stakeholders were characterised by asymmetry. That is, each stakeholder had no dependence on the GCBT while, conversely, to achieve entry to the NRL, the bid team was highly resource dependent on each respective stakeholder. This asymmetry gave stakeholders the opportunity to impose conditions on any prospective resource relationships with the GCBT. Frooman (1999) suggests that in such asymmetrical relationships, the stakeholder will leverage this dependence by employing direct withholding influence strategies, thus imposing its will on the relationship. Direct strategies occur when the stakeholder itself manipulates the flow of resources, and withholding is when a stakeholder has the capacity to walk away

from the relationship, thus discontinuing the supply of resources (Frooman, 1999). The GCBT's relationship with each of its key stakeholder will be explored in the following three subsections, starting with the NRL, then the GCCC, and finally, the Queensland State and Australian Federal Governments. A table depicting the seminal moments in the bid process is presented below as Table 3.

INSERT TABLE 3 ABOUT HERE.

The Gold Coast Bid Team - National Rugby League Relationship

In March 1999, a Gold Coast-based consortium started strategic planning to get a Gold Coast rugby league franchise into the NRL (From Chargers to Titans: The story since 1998, n.d.). The Gold Coast bid team consisted of a lawyer, an accountant, a former commercial radio station manager, an expert in sports media, and a high profile Gold Coast rugby league personality. These original bid team members then recruited an Australian Federal Government Minister, a chief executive officer from a local sporting club, and a well-known Gold Coast corporate figure. Upon formation of the bid team, the primary aim became building relationships with the NRL and other key stakeholders. At this point, expansion was not even on the NRL's agenda. Thus, the relationship between the bid team and the NRL was completely asymmetrical, with the bid team heavily dependent upon the NRL to, (a) expand the league; and, (b) award any expansion franchise license to the Gold Coast. As Frooman's typology posits, where the firm is heavily dependent on the stakeholder, the stakeholder will employ direct strategies of withholding. In this case, consistent with Frooman's typology, the NRL directly communicated to the bid team its intention to withhold any league expansion. Indeed, the NRL insisted that it did not even consider it a bidding process, as such. One senior NRL official observed that,

It's not something that we identified we wanted to do (expansion)... We've always been non-committal about whether we should go to a 16th team We made it very clear to all teams that submissions were received without any prompt from the NRL (parentheses added).

In spite of the NRL's ambivalence on league expansion, the bid team was adamant on the Gold Coast's NRL host city credentials, and continued to work at building a relationship with this key stakeholder. Bid team members frequented NRL headquarters in Sydney as often as possible to present their case for a 16th franchise, and lobbied hard on the merits of the Gold Coast as an NRL host city. One bid team member commented that,

We started on a PR campaign, of going to Sydney (NRL headquarters) regularly. To be honest, I probably spent more time in Sydney over the last five years than I have on the Gold Coast. You're always down there; you've just got to keep in their faces (parentheses added).

In this way, the GCBT built relationships with key NRL, News Limited and ARL actors, all of whom were important players due to the partnership structure of the NRL's board of governance. A senior NRL official noted the persistence of the bid team, and the calculated efforts it expended on what he described as "careful" relationship development. He noted that, "For a team based so far away, they were here unbelievably often I think they were quite careful in the relationships they built."

By December 2001, this relationship building bore fruit when the NRL granted the GCBT the right to host two pre-season matches, known as "trial games," each year from 2002 to 2005. Indicating the comparative success of the Gold Coast's aggressive lobbying, the NRL did not offer trial games to the rival bids from New

South Wales' Central Coast and Wellington, New Zealand. The Chief Executive of the NRL, David Gallop, highlights the significance of the pre-season matches when he commented that, "Trial games are an opportunity for people to vote with their feet. The response the Gold Coast gets to those games is certainly one of the things we would look at" (From Chargers to Titans: The story since 1998, n.d., para 3). With attendance at pre-season games notoriously erratic, having the GCBT resourcing two pre-season matches on the Gold Coast was a win-win situation for the NRL. If support was lacking, the NRL had lost little as all costs were borne by the GCBT. However, if support was strong, it built the game's supporter base and provided a barometer of the strength of Gold Coast support for a nascent franchise.

Granting the Gold Coast pre-season hosting rights represented a subtle, yet significant shift in influence strategy from the NRL. From its original direct withholding, awarding the Gold Coast pre-season matches was an example of direct usage, where the Gold Coast bore the financial costs to demonstrate the legitimacy of its claim to a 16th license. Essentially, the NRL was attaching conditions to the, albeit limited, supply of a resource, that is, the use of its brand in the form of NRL matches, by the GCBT. Frooman (1999) suggests that direct usage is employed in relationships of interdependence. While the relationship between the GCBT and the NRL was clearly not yet interdependent, the NRL's employment of direct usage suggests a lessening in asymmetry. In the context of the bid's progress, this was paramount for the GCBT because, as Frooman (1999, p. 197) suggests, "a stakeholder that employs a withholding strategy is prepared to shut off the flow of resources to a firm, whereas a stakeholder that employs a usage strategy is not."

Attendances at the pre-season games averaged 16,000, and peaked in excess of 20,000 (From Chargers to Titans: The story since 1998, n.d., para. 4). In 2004, the

average regular season attendance at NRL matches was 14,671, which was a record at that time (MacSmith, 2005). Therefore, as NRL pre-season matches typically attract lower attendances than regular season matches, these were favourable figures. The GCBT highlighted to the NRL that the solid pre-season attendances demonstrated the strength of local support for the bid. One bid team member noted,

I think that (hosting the pre-season games) was the turning point. When we could demonstrate to the NRL that we were able to run two pre-season games per year at Carrara, pack the stadium out *without* the best talent on the field For them to see the whole city come out and support the game in the heat of summer, that definitely sent a very strong message (parentheses added).

The GCBT also sought to further buoy public enthusiasm for the nascent franchise by soliciting the popular rugby league television program, "The Footy Show," to do a live telecast from the Gold Coast on June 10 2004. During the show, despite not yet being granted a license, the bid team launched the club's playing kit and logo, and announced the recruitment of high profile head coach, John Cartwright. These actions were aimed at building public enthusiasm for the bid. Rowley and Moldoveanu (2003, p. 208) contend that such group processes allow for, ". . . group members (to) develop a collective identity that articulates their shared interests and goals (and) creates individual commitment and a feeling of solidarity" (parentheses added).

On August 16 2004, the NRL Board met to consider licence applications from the three potential expansion franchises, Wellington, the Central Coast and the Gold Coast. The NRL chose to reject all three applications, and announced that it would not be expanding the league. Significantly however, it stated that the expansion issue would be revisited in 12 months. This indicated that expansion was at least now

officially on the NRL's agenda, which it previously had not been. In referring to the GCBT's reaction, a senior NRL executive noted that, "They (the bid team) could've gotten frustrated, but they didn't They were also very careful with what they said to the media."

The quote above alludes to a critical error made by at least one of the competing bids. On receiving the non-expansion decision, Central Coast board members and Gosford City Councillors launched attacks on the NRL via the media. For example, in a national newspaper article, one Central Coast board member described the NRL's decision as "gutless", while another stated that, "We can only bash our heads against the wall for so long" (Nolan, 2004, p. 8). Yet another Central Coast board member, declared that,

More than 20,000 local (Central Coast) fans will walk away from rugby league and stop buying tickets, and will stop travelling to games in protest at the NRL's decision . . . And I will be the first bloody one! I will now be pushing (the board) to bid for a Super 14 (rugby union) team, which would provide local rugby league fans something to walk away to (Nolan, 2004, p.8) (parentheses added).

Clear evidence of the positive nature of the relationship that the GCBT had built with the NRL came following the non-expansion decision. Tellingly, the NRL gave the GCBT immediate feedback on its non-expansion decision, and explained how the Gold Coast could enhance its chances of being granted future entry to the league. Interviewees from both the NRL and the GCBT explained that the NRL identified issues such as the need to: (a) secure funding to build a rugby league-specific stadium on the Gold Coast; (b) increase the bid team's equity base; (c) continue to demonstrate the Gold Coast's ability to host NRL matches; and, (d) adjust the bid's business plan in areas such as control and structure.

Nolan (2004) reported that by providing this feedback to the GCBT and not the other bids, the NRL, “delivered a double blow to the (Central Coast) region when it favoured the rival Gold Coast bid ahead of the Central Coast” (p. 8; parentheses added). Thus, rather than discouraging pursuit of the 16th franchise license, the announcement simultaneously galvanised the GCBT’s efforts, whilst seemingly demoralising the rival bids. Following the non-expansion announcement, GCBT members were,

. . . back in the office, on the phone to the NRL determining just where the bid had fallen short. Acting on the subsequent advice, the bid team went about strengthening their proposal while the other contenders slipped away. It soon became apparent that this was a one horse race, and only the NRL board stood in the way of the Gold Coast’s inclusion into the NRL (From Chargers to Titans: The story since 1998, n.d., paras. 7-8).

Thus, rather than shutting off the supply of resources, the NRL continued its direct usage strategy by specifying the need for the GCBT to further demonstrate sufficient financial and community support for the nascent franchise. By imposing such conditions on the bid team, the NRL leveraged its resource control (the franchise license) to force these changes in the GCBT’s behaviours. However, simultaneously, the increasing legitimacy of the Gold Coast’s bid heightened the NRL’s interest in a successful expansion franchise located on the Gold Coast. One GCBT member recollected that,

I thought, “OK, there’s a window of opportunity here. David (the NRL CEO) said that he’d look at it in 12 months. So let’s chisel on.” If anything, we probably went up to another level, we sort of found another gear. Whereas, to a lesser extent, the

other bids thought, “Well, we'll just sit tight and wait until we're invited.” We just said, “Let’s keep going. We've got nothing to lose!” (parentheses added).

Thus, the NRL continued to entertain a Gold Coast franchise as a viable possibility, whereas earlier in the process, expansion had been rejected outright. Notwithstanding, the NRL needed proof of the bid’s commitment to its franchise vision, and the GCBT spent the next eight months addressing the NRL's demands. In tackling the issue of finance, at the request of the NRL, the bid team convinced its investors to increase equity from AUD\$10 million to AUD\$15 million. While the NRL still had the power to reject the Gold Coast bid outright, its continued employment of a direct usage strategy indicates the bid’s increasing legitimacy. This legitimacy heightened the NRL’s interest in the Gold Coast market, and prompted its request for a demonstration of the GCBT’s commitment to its franchise vision. One GCBT member noted that,

They (the NRL) felt they needed to have that comfort of the magical \$15 million figure. We had \$10 million, so what's the difference between 10 and 15? It was more of a political statement I think. It was probably more of a statement to see how committed we were . . . how passionate, how committed are you? Can you raise the extra \$5 million? (parentheses added).

Finally, on May 27 2005, with the GCBT’s satisfaction of the NRL’s conditions, and other stakeholders successfully negotiating other conditions that are addressed in the ensuing section, the NRL announced that it would expand in 2007 from 15 to 16 franchises, and that the successful recipient of new license was the Gold Coast Titans. This was the culmination of a six-year process for the bid team, which saw shifts in its resource relationship with the NRL, and attendant shifts in the influence strategies employed by this key stakeholder. In the early stages of the bid

when the relationship was extremely asymmetrical, consistent with Frooman's typology, the NRL dealt directly with the bid team using withholding influence strategies, as it had no interest in expanding the league. Completely dependent on the NRL for organisational success, the GCBT employed relationship building and lobbying behaviours. As the legitimacy of the Gold Coast's claim grew, however, the NRL moved to using direct usage strategies. While Frooman's (1999) typology would suggest the employment of direct usage indicates high interdependence, the NRL remained in firm control of franchise license allocations. Nonetheless, actors from the bid team, rather than perceiving their relationship with the NRL as one of asymmetry, suggested their relationship had become more one of *collaboration*. One GCBT member suggested that,

I think when the decision was made, we knew that the NRL needed us as much as we needed them. There's an incredible youth market here If you're in business, you're looking at a youth market, if you can tap into a youth market and you've got growth in that market and you're going to be the only player in that market, then you want to be in that market. So the NRL would have been looking at us and surely would have been salivating. I think from a strategic point of view, they knew they had to attach themselves to that market (the Gold Coast) (parentheses added).

The quote above indicates that the GCBT perceived its relationship with the NRL had become more mutually dependent. And, while the NRL clearly remained in control of the key resource at stake – the franchise license – its continued use of direct usage strategies indicates somewhat of a lessening in the relationship's asymmetry. Once again, this subtle, yet significant shift in the stakeholder relationship demonstrates the importance of building organisational legitimacy. The GCBT-NRL

relationship was also intimately tied to relationships with public sector stakeholders, which are discussed in the ensuing section.

The Gold Coast Bid Team - Public Sector Relationships

In addition to its relationship with the NRL, the GCBT was also engaged in relationships with key public sector stakeholders. The major issue here again was establishing legitimacy, but also securing funds for a rugby league-specific facility.

This made all three levels of government key stakeholders: the GCCC at the local level, the Queensland State Government, and the Australian Federal Government.

Gold Coast City Council: For the GCBT, establishing legitimacy in the eyes of NRL actors was critical. One way of achieving this was by securing the support of the GCCC to demonstrate strong local backing for a nascent Gold Coast franchise. This made the GCCC one of the bid team's key stakeholders. However, as GCCC was in no way dependent on the bid team, it was in a position to withhold its support. Indeed, at the outset of the bid, Council questioned the benefit of supporting a professional rugby league franchise. Consistent with Frooman's (1999) typology, in this asymmetrical relationship of high firm dependence, the GCCC initially employed direct withholding strategies. As one bid team member recalled,

We needed their (Council) support. We didn't have it to start with. We did some hard yards. I can remember a Councillor calling me and saying, "well why should we support a private consortium for a football team? Why should my rate payers be paying for this?" I suppose, at that stage, they didn't see the community benefit.

It has been well-argued by Mules (1998) and others that the presence of professional sport teams and events in a region can reflect positively on local politicians. Mules (1998) contends that political leaders often attach themselves to

sport to gain favourable publicity. On the Gold Coast, this political expediency may have accounted for what turned out to be strong Council support for the bid. The GCBT lobbied Council hard through networking and formal presentations on the benefits an NRL franchise could bring to the city. Council members were among invited guests at each of the NRL pre-season matches hosted by the bid team, which were used as relationship building opportunities to promote the benefits associated with the bid. One Gold Coast City Councillor indicated the breadth of Council's about-face on the matter. He suggested that,

Council was right behind them (the bid team). We would do whatever we had to, to make sure we could secure the team . . . I thought it was important to get a national team from some code, any code, to be quite honest. I just felt it was good for the Gold Coast.

From individual Councillors' perspectives, the pre-season matches gave them a clear indication of the strength of local support for the nascent franchise; hence the political expediency of supporting it. Thus, despite initial doubts, ultimately, the GCCC provided unwavering support, particularly after the GCBT had secured the 2002-2005 pre-season matches. This suggests that, although GCCC was in no way dependent on the GCBT in the early stages, as the bid's momentum and public support grew, as indicated by the strong attendances at pre-season matches, so too did Council's interest in being associated with a well-supported Gold Coast NRL franchise. As a result, the bid team-GCCC relationship became more interdependent. As Frooman (1999) points out, interdependent relationships are characterised by stakeholders' use of direct usage strategies, although the stakeholder has less leverage over the firm to impose its will. In this case, Council stipulated that the GCBT present

detailed business plans and regular reports on the progress of the bid. However, one Councillor commented that,

I think a lot of planning has been very ad hoc in the sense that, we sort of felt that we've been out of the loop somewhat. They've been sort of doing their thing and we pushed them for the last couple of years for a business plan and they kept procrastinating, and they just didn't put it forward. And when they did, there were holes in it that you could drive a bus through.

The relationship with Council was primarily formed to increase the legitimacy of the bid by presenting a united front to the NRL, and to demonstrate the depth of local support. As legitimacy increased, so too did interdependence in the GCBT-GCCC stakeholder relationship. As a result, the bid team had more latitude to respond to Council's direct usage strategies on its own terms and, to a certain extent, to impose *its* will on its relationship with GCCC. This stakeholder relationship again demonstrates the political nature of the bid process and how it can impact associated influence strategies. And, while it neatly illustrates Mules' (1998) notion that politicians often use sport expeditiously, it also demonstrates the corollary – how sport can use political elites in the same utilitarian manner. With Council support confirmed, the GCBT-GCCC partnership lobbied the NRL together. A senior NRL official indicated that, “The bid team certainly gained respect and credibility by having Council support. They weren't just an isolated group; they could demonstrate linkages to the community.”

As explained in the next section, the GCBT leveraged Council support to lobby other stakeholders such as the Australian Federal Government and the Queensland State Government.

Australian Federal Government and Queensland State Government: Initially, the GCBT's relationships with both the Australian Federal Government and the Queensland State Government were characterised by asymmetry. Both key stakeholders could quite clearly have walked away from any relationship with the bid team; and initially, the Queensland State Government did just that. However, throughout the bid process, these relationships were inevitably intertwined and came to illustrate Rowley's (1997) point that firm-stakeholder influences are not dyadic, as has been the traditional perception, but can emerge from multiple stakeholders simultaneously.

Considering the nature of state and federal politics, where support of one region over another can be controversial, directly withholding resources from a heavily dependent regional actor is clearly an option. In this case, the GCBT lobbied the Queensland State Government for funding of a new purpose-built, rugby league-specific facility. Predictably, throughout most of the bid process, the GCBT's lobbying was met with direct withholding from the State Government. A GCBT member observed that, "Even up until about 18 months ago, they (the Queensland State Government) were saying things like –"you guys are joking" and, "it will never be viable, I can't understand why you're being so persistent with this" (parentheses added).

However, with an Australian Federal Government Minister on the bid team, network access at the Federal level provided an important conduit to build support. The Federal Minister organised highly publicised meetings with other Federal Ministers which were attended by delegations consisting of GCBT members, the Gold Coast Mayor, Gold Coast City Councillors, and NRL actors. These meetings produced public letters of support from the Federal Ministers in attendance, including

one from Australia's then Prime Minister, John Howard. Therefore, although the Federal Government was in no way dependent on the GCBT and did not commit any actual funding, the symbolic support of individual ministers, perhaps hoping to be associated with a likely "winner" (Mules, 1998), provided critical legitimacy.

Therefore, the GCBT's relationships with the NRL, the GCCC, and the Australian Federal Government provided a platform to lobby the Queensland State Government for stadium funding support. The accrued legitimacy from this network produced what Frooman (1999) would describe as an indirect pathway of influence on the Queensland State Government. A GCBT member explained that,

The fact that we went to Canberra to the Prime Minister's office with (the NRL Chief Operating Officer) was a very public exercise. Then all of a sudden, George Street (the Queensland State Government) saw, "Well, the NRL are involved here! And they're meeting with the Federal Government!" (parentheses added).

Subsequently, significant political manoeuvring took place in early 2005 among the NRL, the Queensland State Government and the GCCC. The Queensland State Government made a public statement that it would fund a stadium on condition that the NRL grant the Gold Coast a franchise license and that the GCCC provide land for the stadium. Meanwhile, the NRL demanded a commitment from the Queensland State Government to fund construction of a new stadium before issuing any such franchise license to the Gold Coast.

By dealing directly with each other and attaching strings to the supply of critical resources, from the GCBT's perspective, the GCCC, the State Government and the NRL were employing indirect withholding strategies. As Frooman (1999) suggests, indirect withholding indicates a relationship of low interdependence. This, combined with the fact that three of the GCBT's key stakeholders were engaged in a

strategic standoff with *each other* over the supply of resources to the bid team, indicates a subtle yet significant shift in resource relationships. The NRL and the GCCC had effectively begun lobbying the Queensland State Government for a new stadium, which would lead directly to a franchise license. Ultimately, the Queensland State Government acceded and, on April 28 2005, it announced its commitment to fund construction of a new Gold Coast rugby league stadium. GCBT members explained that the speed with which the decision was delivered took them by surprise. As one bid team member recalled,

When the State Government jumped out, it was truly unexpected. I got a phone call from the State Treasurer and he just said, “There you go, there’s your stadium!” Then he said the decision would go out public that afternoon. I was shocked.

This decision was seminal, and was undoubtedly the defining moment in the success of the bid. The dramatic about-face by the Queensland State Government suggests the growing momentum and legitimacy of the bid campaign created an irresistible opportunity for the Queensland State Government to gain political favour in south-east Queensland, its most populous constituency. As mentioned previously, political leaders commonly attach themselves to sport and, in particular, “winners” (Mules, 1998). In this sense, the Queensland State Government’s behaviour was quite opportunistic, as one bid team member pointed out,

I think they (the State Government) must have got a feel that the NRL were keen to make a decision one way or the other. From their (the State Government’s) point of view, it made good political sense. If we didn’t get the license well, they could still say that they’d done their best (parentheses added).

Ultimately, the choice to support the bid was a pragmatic and politically expedient one for the Queensland State Government. However, Frooman (1999) suggests that the mere threat of withholding resources can be as effective a tool for influencing organisational behaviour as the actual act of withholding. Significantly, therefore, the Queensland Government attached further quite specific conditions to its funding. As detailed by the then Queensland State Treasurer, Terry Mackenroth, the State would withdraw stadium funding unless, (1) the NRL granted the Gold Coast its franchise license by June 30, 2006; and, (2) GCCC provided land for the stadium free of charge (Gold Coast Bulletin, 2005). Interestingly, the Queensland Government's conditions were directed at changing the behaviours of *other* stakeholders, not the bid team itself; changes that would ultimately benefit the Gold Coast bid. From the bid team's perspective, this was an indirect usage strategy because the Queensland Government sought change in the behaviours of both the NRL and the GCCC, and essentially used the bid team as leverage for these changes.

According to Frooman (1999), the employment of indirect usage strategies indicates firm, or in this case, GCBT, power. However, what Frooman fails to address is the role of legitimacy in getting the firm (GCBT) into this favourable position. The accrued legitimacy of the bid resulted in the GCBT's key stakeholders rallying to the cause of a Gold Coast NRL franchise license. This neutralised the GCBT's formerly asymmetrical resource relationships with each stakeholder to the point where the stakeholders were left negotiating with each other for the supply of resources to the GCBT. Ultimately, all of the State Government's conditions were met, and the NRL announced the Gold Coast as the recipient of its 16th franchise license on May 27th 2005. A summary of the shifts in resource relationships with, and influence strategies employed by, each of the bid team's key stakeholders is provided in Table 4.

INSERT TABLE 4 ABOUT HERE.

Conclusions

In the professional sport setting, previous studies have explored sport league expansion decisions (Dickson et al., 2005; Rascher & Rascher, 2004), the impacts of professional sport franchises on host regions (Higham & Hinch, 2003; Sparvero & Chalip, 2007), and issues related to the public funding of facilities (Leonard, 1998). This study builds on this literature by analysing some of the strategic processes involved in actually securing a professional sport franchise license. And, complementing earlier work by Amis et al., (2004), and O'Brien and Slack (2004) on sport organisations' strategic responses to external pressures, this research explored how some of these external pressures are actually created.

As Pfeffer and Salancik (1978) argued, *all* organisations are dependent for survival on external actors that control critical resources. The focus of this study was on analysing the relationships that evolve as a result of these dependencies. Understanding the nature of firm-stakeholder resource relationships is a critical component of strategic management. The centrality of resources in the relationships explored in this study was unquestionable. Obviously, the dynamics of particular bid processes in different sports and countries will be idiosyncratic. Nonetheless, although this case focuses on a professional rugby league context in Australia, understanding the complexities of stakeholders' strategic behaviour has applications across any number of sport contexts.

A key aspect of this study was the negotiation of asymmetrical resource relationships. As Table 4 indicates, the GCBT commenced the bid process with no influence on any of its key stakeholders. Each stakeholder, therefore, had the ability to withhold critical resources and exert direct influence on the bid team's behaviour and,

invariably, each implemented that strategy in the early stages of the bid. However, largely through the strategic lobbying of these stakeholders, which led to favourable press and community support, the Gold Coast bid ultimately achieved legitimacy. At this point, the supply of critical material resources such as land and stadium funding became politically irresistible, particularly for the Queensland State Government.

The role of the Australian Federal Government was of note here. Its relationship with the bid team remained one of stakeholder power, which Frooman would suggest should result in direct withholding strategies. However, the Federal Government's provision of public support for the bid helped facilitate legitimacy, and was more characteristic of direct usage, which suggests high interdependence. This behaviour departs from Frooman's typology, and may be better explained by Rowley and Moldoveanu (2003) who contend that stakeholders are not merely driven by interests, but also by the desire to express an identity. Having the Gold Coast-based Federal Minister on the bid team was a conduit that drove the GCBT's agenda at the Federal level. Ultimately, the relationships built by the bid team with the NRL, the GCCC and the Australian Federal Government, combined with the momentum of community support and media interest, enhanced the overall legitimacy of the bid. Ultimately, this legitimacy led to extreme pressure on the Queensland State Government for stadium funding.

The behaviour of the Queensland State Government was an interesting illustration of how stakeholder influence can shift in a resource relationship. At the outset, the State Government used what Frooman (1999) describes as direct withholding, and ultimately, shifted to indirect usage strategies. Unlike the GCCC, the State Government did not enter into any sort of lobbying relationship with the bid team. Indeed, it was only after the bid team had established a legitimate claim and the

license seemed a likely outcome that the Queensland State Government finally committed to its condition-laden stadium funding decision: the NRL had to grant the Gold Coast a franchise license in a timely manner, and GCCC had to provide land for a stadium. For the State Government to have “walked away” at this point was politically untenable, which highlights a fundamental shift in its resource relationship with the GCBT. The strategic standoff between the State Government, the NRL and GCCC was ultimately in the bid team’s interests, and amply demonstrates Rowley’s (1997) contention that stakeholder relationships are seldom dyadic in nature. Thus, while Frooman’s (1999) typology provided a useful heuristic to analyse the influence strategies adopted by the GCBT’s stakeholders, incorporating the work of Rowley (1997) and Rowley and Moldoveanu (2003) helps explain the fact that pressures from stakeholders’ influence strategies more typically emerge from multiple stakeholders simultaneously.

The contributions of this work are threefold. First, a theoretical analysis of a franchise bid process builds on our tacit knowledge of this under-explored aspect of professional sport. The critical role of building legitimacy and what Phillips (2003) calls its “multidimensional character” (p. 38), in particular, warrants further research. This point is elaborated upon below, but leads to a second contribution: Frooman’s typology was shown to provide a useful, though limited, heuristic to enhance our understanding of the complexity of stakeholders’ strategic behaviour in a sport context. This complements earlier work by Amis, et al., (2004), and O’Brien and Slack (2004) who took the corollary perspective of investigating how focal sport organisations strategically respond to stakeholders.

As with all typologies, our collective understanding of the organisational behaviours they depict is best developed through empirical applications. With this in

mind, a third contribution of this work is an advancement of Frooman's typology to incorporate the role of firm legitimacy in stakeholders' choice of influence strategy and the management of firm-stakeholder resource relationships. It was demonstrated that when a firm lacks legitimacy, its stakeholders will employ direct withholding strategies and maintain resource controls. With strategic networking, relationship development and prudent use of media, legitimacy was built and the influence pathways chosen by stakeholders became more indirect, increasing the symmetry in resource relationships and the GCBT's access to critical resources. This highlights a second deficiency in Frooman's typology, in its failure to adequately account for the fact that firm-stakeholder relationships go through a lifecycle and are subject to change. As highlighted in Table 4, in each of the relationships explored, both the choice of influence strategy and the nature of relationship symmetry changed to varying degrees throughout the bid process. These changes, as argued above, were largely the result of the increasing legitimacy of the Gold Coast bid, and stakeholders' subsequent strategic responses to that legitimacy. This suggests that, at least in the context of professional sport franchise bid processes, bid teams should, first and foremost, conceive of their bid as a process of establishing legitimacy. Without the intangible resource of legitimacy, the tangible resources of funding, land, facilities and ultimately, a franchise license, were not forthcoming.

Rowley (1997) contends that the continued development of stakeholder theory depends upon researchers moving beyond dyadic conceptions of firm-stakeholder relationships, and recognising the multiple and simultaneous nature of stakeholder influences. Therefore, while Frooman's typology provided a useful heuristic, incorporating the work of Rowley (1997) and Rowley and Moldoveanu (2003) affords a more complete understanding. Indeed, what finally got the bid "over the line" was

when its accrued legitimacy led to a simultaneous interplay of influence among key stakeholders, where resource relationships were shown to be anything but static, dyadic or unidirectional.

Analyses such as this one are useful for putting empirical flesh on theoretical skeletons, and for allowing researchers, practitioners and students to better understand the organisational behaviours depicted by complex typologies. However, this initial work highlights the need for more studies that investigate stakeholders' strategic activities. In particular, more case study work in different sport contexts will engender better understanding of future organisation-stakeholder relationships and their associated strategic behaviours. Interestingly, within two years of the Gold Coast Titans' NRL inclusion, Gold Coast bids for inclusion in Australia's professional basketball, soccer, and Australian rules football leagues proved successful. On the back of the NRL's move into the Gold Coast, this apparent race by other professional sport leagues to create a Gold Coast presence is an interesting phenomenon. At the very least, it raises avenues for further research regarding how national league representation in one professional sport influences the strategic activities of other national and regional level sport stakeholders.

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Table 1

Types of resource control strategies and influence pathways (based on Frooman, 1999).

Resource Control Strategies	Characteristics of the Strategy
Withholding	Stakeholder discontinues or threatens to discontinue supply of resources to a firm
Usage	Conditions attached to the supply of resources, firm cannot afford to walk away from relationship
Influence Pathways	Characteristics of the Pathway
Direct	Stakeholder manipulates the flow of resources
Indirect	Stakeholder works through an ally to manipulate the flow of resources

Table 2

Types of influence strategies suited to particular stakeholder relationships (based on Frooman, 1999).

Stakeholder Relationship	Influence Strategy
Low interdependence	Indirect / withholding
Firm power	Indirect / usage
Stakeholder power	Direct / withholding
High Interdependence	Direct / usage

Table 3

Timeline of important events in the Gold Coast's bid for a National Rugby League franchise licence.

Date	Event
March 1999	Gold Coast Chargers excluded from the NRL. This prompts the formation of a Gold Coast consortium that begins lobbying the NRL for the readmission of a Gold Coast-based franchise
December 2001	NRL award GCBT hosting rights for 2002-2005 pre-season matches
June 10, 2004	Live telecasts of the "Footy Show" from the Gold Coast, and announcement of head coach, club kit and logo
August 16 2004	NRL reject all applications for expansion. However, also reveals that expansion is now on its agenda by announcing that expansion issue will be revisited in 12 months.
April 28 2005	Queensland State Government announced its commitment to fund construction of a new Gold Coast rugby league stadium
May 27 2005	NRL announced the Gold Coast as the recipient of its 16th franchise license
March 14 2007	Gold Coast Titans' first game in the NRL

Table 4

Shifts in the resource relationships with, and influence strategies employed by, the Gold Coast Bid Team's key stakeholders from the beginning of the bid process through to its conclusion.

GCBT Relationship with:	Resources at Stake	Stakeholder Relationship		Influence Strategy	
		Start of Bid Process	End of Bid Process	Start of Bid Process	End of Bid Process
National Rugby League	Franchise license, Legitimacy	Stakeholder power	Low interdependence	Direct / withholding	Indirect / withholding
Gold Coast City Council	Land, Legitimacy	Stakeholder power	High interdependence	Direct / withholding	Indirect / withholding
QLD State Government	Stadium, Legitimacy	Stakeholder power	Firm power	Direct / withholding	Indirect / usage
Australian Government	Legitimacy	Stakeholder power	Stakeholder power	Direct / withholding	Direct / usage

Endnote

ⁱ For a full explication of the “super league saga”, see McGaughey & Liesch (2002).