

Financial fair play and competitive (im)balance in the Greek Super League

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Abstract

The inception of financial fair play (FFP) regulations in 2011 prompted debates about their potential impact on competitive balance within European football. Diverse arguments emerged: some anticipated a negative influence, foreseeing a decline in competitive balance, while others posited a contrary viewpoint, suggesting that these regulations could actually enhance competitive balance by diminishing the significance of financial supremacy. Amidst this discrepancy in perspectives, and unlike existing studies on major European football leagues, this investigation was prompted to scrutinize the influence of FFP on competitive balance within the Greek Super League. Utilizing the Herfindahl Index of Competitive Balance as the primary assessment tool, complemented by analyses involving the standard deviation of points, this study evaluated competitive balance within the league across 15 seasons, equally spread before and after the introduction of the FFP regulations. Echoing and even amplifying the concerns, the findings unveiled indications that FFP had engendered a decline in competitive balance within the Greek Super League, with a previously noted improvement abruptly halted and in fact reversed after the introduction of the FFP. This auspicious impact surpasses the intended primary objective of the regulations and underscores the influence they can have regarding the future (in)stability of club football. While acknowledging the imperative need for further exploration in this domain, this study represents an initial foray into understanding the effects of FFP regulations on competitive balance in medium and smaller sized European football.

Keywords: club football, European football, football governance, sport financial management.

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Sommario

L'introduzione delle norme sul fair play finanziario (FFP) nel 2011 ha suscitato dibattiti sul loro potenziale impatto sull'equilibrio competitivo nel calcio europeo. Sono emerse argomentazioni controverse: alcuni hanno anticipato un'influenza negativa, prevedendo un declino dell'equilibrio competitivo, mentre altri hanno ipotizzato un punto di vista contrario, suggerendo che queste normative potrebbero effettivamente migliorare l'equilibrio competitivo diminuendo l'importanza della supremazia finanziaria. In mezzo a questa discrepanza di prospettive, e a differenza degli studi esistenti sui principali campionati di calcio europei, questa indagine analizza l'influenza del FFP sull'equilibrio competitivo all'interno della Super League greca. Utilizzando l'indice Herfindahl dell'equilibrio competitivo come strumento di valutazione principale, integrato da analisi che coinvolgono la deviazione standard dei punti, questo studio ha valutato l'equilibrio competitivo all'interno del campionato in 15 stagioni, equamente distribuito prima e dopo l'introduzione dei regolamenti FFP. Facendo eco e addirittura amplificando le preoccupazioni, i risultati hanno rivelato che il FFP aveva generato un declino dell'equilibrio competitivo all'interno della Super League greca, con un miglioramento, precedentemente notato, bruscamente interrotto e di fatto invertito dopo l'introduzione del FFP. Questo impatto di buon auspicio supera l'obiettivo primario previsto dai regolamenti e sottolinea l'influenza che questi possono avere sulla futura (in)stabilità del calcio per club. Pur riconoscendo la necessità imperativa di ulteriori approfondimenti in questo ambito, questo studio rappresenta una prima incursione nella comprensione degli effetti delle normative FFP sull'equilibrio competitivo nel calcio europeo di medie e piccole dimensioni.

Parole chiave: calcio per club, calcio europeo, governance del calcio, gestione finanziaria dello sport.

1. Introduction

The financial turmoil of European club football remains a growing concern, despite soaring revenues. While Europe's top-division clubs collectively amassed a staggering €13.2 billion in revenue during the 2011 financial year, a disheartening truth emerges: these same 734 clubs faced a combined net loss of €1.7 billion for that period (UEFA, 2011; Franck, 2014). A disconcerting escalation in net losses – spiking by a staggering 760% between 2006 and 2011 among these 734 clubs – adds weight to the issue (Franck and Lang, 2013). Alarming statistics show that 55% of these clubs reported net losses in 2011, with an additional 38% trapped in a quagmire of negative equity, their debts overshadowing the value of club assets (Franck, 2014).

This dire financial landscape prompted the implementation of financial

regulations across Europe, spearheaded by UEFA's Financial Fair Play (FFP) regulations. These rules aimed to infuse a sense of order and prudence into the tumultuous finances of European club football, ultimately safeguarding its stability (UEFA, 2015).

Despite the noble intentions behind FFP, a cloud of scepticism lingers over these regulations, with concerns raised about their potential adverse impact on the competitive balance within European football (Lindholm, 2010; Sass, 2014; Szymanski, 2014). This contentious issue has garnered considerable attention in existing literature, yet its depths warrant further exploration. Thus, this study endeavours to delve into this discourse to ascertain its validity. Employing two distinct statistical measures – namely, the Herfindahl Index of Competitive Balance and the standard deviation of points – the study aims to unveil insights into the effects of FFP regulations on the competitive balance within the Greek Super League (the top division of football in the country). Unlike previous studies on the matter that have primarily focused on the bigger leagues of Europe (e.g., Freestone and Manoli, 2017; Plumley *et al.*, 2019; Garcia-del-Barrio and Rossi, 2020), this study centres on a previously unexplored medium to small league. These results not only promise to shed light on the alterations in competitive balance within the league but also foster continued discussions and analyses on this captivating subject, by expanding our appreciation of the effects of FFP beyond big leagues in European football.

The article is structured into five sections. After this initial exposition, the study delves into its theoretical underpinnings before outlining its research design. Subsequently, a meticulous presentation of the study's findings will scrutinize the impact of FFP on competitive balance. Finally, the implications of the drawn conclusions will be expounded upon, accompanied by recommendations for future research endeavours in this domain.

2. Literature review

This section will navigate the existing corpus of literature discussing the intertwining subjects of competitive balance and financial fair play, laying the groundwork for this study. Commencing with an exploration of competitive balance, this concept stands as the linchpin underlining this research.

At the heart of any sports competition lies the essence of competitive balance, a concept rooted in the premise that «competitors must be of approximate equal 'size' if any are to be successful» (Rottenberg, 1956, p. 242). This notion hinges upon the necessity for sporting contests to encompass elements of unpredictability, ensuring an uncertain outcome, thereby offering

entertainment value to spectators (Humphreys, 2002; Késenne, 2007; Scelles, François and Dermit-Richard, 2022). Unlike traditional economic theory, the sports “product” represents an indivisible, collective output shaped by every participating team within a league, contingent upon the collaboration and contributions of each (Morrow, 2003; Goossens, 2006; Lee and Fort, 2012). While business pursuits strive for monopolistic dominance within legal limits, in the realm of sports, “pure monopoly is a disaster”, as teams rely on adversaries of comparable prowess (Neale, 1964, p. 2; Scelles *et al.*, 2022).

Debates surrounding competitive balance have simmered within academia, dissecting its relationship with league structure and club priorities. Studies have delved into various potential influencing factors, including revenue sharing from gate and TV sources (Feess and Stähler, 2009; Grossmann *et al.*, 2010), talent distribution (Késenne, 2006; Winfree and Fort, 2012), salary caps (Dietl *et al.*, 2011a), promotion-relegation systems (Andreff, 2011), investment regulations, taxes (Brandes and Franck, 2007; Dietl *et al.*, 2010), the number of opponents, and participation in international competitions (Pawlowski *et al.*, 2010). Interrelationships among these factors and their correlation with competitive balance have spurred conflicting viewpoints, intertwining with discussions on clubs’ focus on profit versus winning (Dietl *et al.*, 2009; 2011b; Madden, 2015; Gasparetto, Mishchenko and Zaitsev, 2023).

Measuring competitive balance remains contentious in scholarly circles. Diverse methodologies have emerged, contingent on the league’s nature and regulations (open or closed), gaming rules (possibility of a draw), and talent distribution norms (open or closed market, salary caps). Various measures like the Herfindahl Index of Competitive Balance (Michie and Oughton, 2004; Pawlowski *et al.*, 2010), standard deviation of points (Koning, 2000; Szymanski and Kuypers, 2000), and the Scully-Noll ratio (Cain and Haddock, 2006; Lee and Fort, 2012) exist, with two of them discussed further in this study’s methodology section.

Yet, the literature signifies a shift in the landscape of competition in club football—a realm where financial resources have emerged as a pivotal driver for success (Franck, 2010; Gasparetto *et al.*, 2023). Wealth has become the currency to acquire playing and managerial talent, transforming European club football into a win-maximization environment, abandoning the erstwhile model of profit maximization that dominated the scene, especially prevalent in US sports ownership models (Wilson *et al.*, 2013; Franck, 2014). This transition has led to a mismanagement of financial resources, sparking apprehensions about the efficacy of European club football’s functionality (Wilson *et al.*, 2013).

This scenario raises two primary concerns. Firstly, it has fostered a financially precarious environment, potentially jeopardizing the long-term sustainability of European club football (Lago *et al.*, 2006; Franck, 2014; Plumley *et al.*, 2022). Instances of insolvency, such as Leeds United’s ordeal, underscore the perils of reckless financial gambling, resulting in severe debts and club downfalls (Buraimo *et al.*, 2006). Administration, a favoured recourse among financially beleaguered football clubs, presents a lifeline to restructure rather than obliterate ailing entities (Beech *et al.*, 2008; Szymanski, 2012). However, it often leaves creditors short-changed, inadvertently subsidizing clubs’ imprudent financial behaviours due to football clubs’ societal and cultural significance (Szymanski, 2012).

Recognizing their unique stature, football clubs exploit their seemingly safeguarded status against financial failure, fostering an environment akin to soft budget constraints—a phenomenon found in socialist economies, the public sector, and finance sectors (Storm and Nielsen, 2012). European football clubs adopt the expectation of post hoc support, establishing a belief that they are «too big to fail» (Preuss *et al.*, 2014). Shockingly, a substantial number of European football clubs teeter on the brink of bankruptcy, portraying the English Premier League as less than a year away from financial ruin when evaluated as a conventional business (Kearney, 2010; Franck, 2014; Plumley *et al.*, 2022).

The second concern centres on the escalating trend of “financial doping” – the reliance on external backers to cover perpetual losses, securing a financial edge over rivals (Muller *et al.*, 2012). These “sugar daddies” inject colossal sums into clubs, often becoming owners, with little concern for the financial haemorrhage (Lang *et al.*, 2011). More than half of Europe’s top-tier clubs perennially operate at a loss, splurging money they lack (Beech *et al.*, 2008). This “doping” tag signifies an endeavour to gain an unfair advantage by artificially manipulating the innate competitive balance in sports (Schubert and Könecke, 2015), leading to a distorted competitive landscape within and between European leagues (Schubert and Könecke, 2015; Plumley *et al.*, 2022).

This arms race of spending beyond means has sparked an inflationary cycle, escalating transfer fees and player salaries in the pursuit of immediate success (Hill, 2011). European football clubs, fixated on win maximization, exhibit profligate spending behaviours, neglecting the essence of profit maximization or efficient functioning strategies crucial for financial stability and sustainability (Wilson *et al.*, 2013; Wagner, Preuss and Könecke, 2021).

Responding to these mounting concerns, UEFA implemented Financial Fair Play (FFP) regulations to oversee the financial conduct of clubs participating in UEFA competitions. While the regulations directly affect only 235

out of 734 top-division clubs each season, leagues across Europe, including the Greek Super League, have adopted their versions to impose financial standards on all clubs (Hill, 2011).

UEFA's FFP aims to promote responsible spending, safeguard creditors, and encourage clubs to operate based on self-generated revenues, safeguarding the long-term vitality of European club football (UEFA, 2015). These objectives hinge on two regulatory mechanisms – the no overdue payables rule and the break-even rule (Peeters and Szymanski, 2013). The former targets timely payments to employees, social and tax authorities, and other clubs, aligning football clubs with standard business practices (Szymanski, 2014).

Compliance with the break-even rule mandates clubs to match expenses with income (UEFA, 2015). Although exceptions exist, clubs must eventually balance their books to partake in UEFA competitions. Despite variations in specific details, financial fair play regulations across Europe derive from UEFA's framework.

However, these regulations have encountered criticism spanning legality concerns, potential reduction in team quality, downward pressure on players' wages, and limitations on external financial injections (Long, 2012; Drut and Raballand, 2012; Dietl *et al.*, 2009; Madden, 2012; Franck, 2014). Notably, debates have centred on the regulations' potential adverse effects on competitiveness, paralleling a relative salary cap that could favor larger clubs and exacerbate existing hierarchies (Lindholm, 2010; Sass, 2012; Franck, 2014).

European football's historical competitive imbalance, coupled with declining competitive balance since the 1990s, has manifested in a dominant league hierarchy (Pawlowski *et al.*, 2010; Peeters and Szymanski, 2013). FFP, lacking a specific aim to address competitive imbalance, strives to disrupt the status quo by introducing discipline and rationality to European football, shifting the focus from external financial boosts to efficient management. This shift is projected to reduce avenues for instant success through cash injections, fostering organic growth (Geey, 2011).

Thus far, the little existing research juxtapositioning FFP and competitive balance has produced rather mixed results, all focused on major European leagues. Such research has argued that a decline in competitive balance after FFP was noted in the French, Spanish and German top leagues (Garcia-del-Barrio and Rossi, 2020), with the results in the analyses in the top division of football in Italy and England suggesting either no difference in the competitive balance, or a slightly positive outcome following the implementation of the FFP respectively (Freestone and Manoli, 2017; Plumley *et al.*, 2019). Despite this, an analysis evaluating the impact of financial regulations on competitive balance in smaller or medium sized leagues in Europe remains

absent. Hence, this study seeks to scrutinize competitive balance trends and the effects of FFP regulations over the past 15 seasons to offer a more informed perspective.

3. Methodology

The extensive literature review regarding Financial Fair Play (FFP) regulations in European football has illuminated several arguments proposing that the implementation of these regulations might diminish the competitive balance in European club football, particularly within the Premier League and other major leagues within Europe. Therefore, the objective of this research is to scrutinize the validity of these assertions by analysing relevant data, aiming to either substantiate or refute the notion that FFP exerts a negative impact on competitive balance within a small or medium size league such as the Greek Super League.

Competitive balance serves as an indicator of the relative performance among teams within a specific sports league, offering insight into the overall equipoise among teams (Goossens, 2006). Determining the appropriate measure of competitive balance depends on the rules, structure, and format of the sporting competition. This research will focus on each team's points tally at the conclusion of every season as this metric provides the most accurate assessment of overall performance (Evans, 2014). Notably, the Greek Super League allocates one point for a draw and three points for a win, necessitating any metric used to encompass both wins and draws for an accurate evaluation of overall performance. Additionally, league position is determined by the total points accrued by each team over the season, making it logical to assess performance using the same metric.

However, points are not the sole metric to gauge relative performance; indicators like win percentage, goals scored, goals conceded, goal difference, and league position can serve as proxies for performance. While win percentage is frequently used in North American sports due to their win-loss framework (Scully, 1989; Quirk and Fort, 1992), metrics like goals scored and conceded, while informative, might be misleading when considered independently. Match results and subsequent points are not solely contingent on total goals scored or conceded but rather on the balance of goals relative to the opposition in each match. Therefore, achieving high goal tallies or conceding fewer goals doesn't guarantee victory or the accumulation of points. Likewise, utilizing league position as a performance indicator might not accurately represent the relative points difference between each position. Hence, the points-based system offers the most comprehensive assessment

of overall and relative team performance within a league of this nature (Evans, 2014).

4. Research Design

In this study, the primary measure of competitive balance will be the Herfindahl Index, complemented by cross-examinations using the additional measures of the standard deviation of points. The Herfindahl Index, initially designed to evaluate inequalities among firms in an industry, has been adapted to analyse sports leagues' competitiveness (Michie and Oughton, 2004; Brandes and Franck, 2006). Given the Greek Super League's format, the market share variable is replaced by each club's share of points, considering points as the benchmark for measuring performance and success in the league. The other employed measure is based on standard deviation calculations. The standard deviation of points offers a statistical evaluation of point distribution among clubs concerning the league's average points total (Goossens, 2006).

4.1. Data Collection

The points awarded based on the playing success of the teams of the Greek Super League were selected and used for this study, which often deviated from the final points count of the season. That is because of the league's turbulent history, additional points were often deducted from the teams at the end of the season due to either financial mismanagement or violence incidents (Manoli *et al.*, 2021). These deductions however were not directly related to the playing success of the teams, and as such, they were disregarded for this study. As such, the total points accumulated by each team at the end of each of the seasons based on their playing performance were collated from the official website of the Greek Super League (www.superleaguegreece.gr).

4.2. Data Analysis

The research will generate competitive balance values for 15 Greek Super League seasons, equally spread before and after the introduction of the FFP regulations, beginning from the season 2002/03 and continuing to the 2018/19 season, utilising the methods mentioned above (Herfindahl Index

and standard deviation). The seasons 2013/14 and 2014/15, however, are excluded for the analysis since the format of the league was temporarily changed to include a different number of participating clubs. All selected seasons had the same number of clubs participating in the league, ensuring consistency in the dataset, crucial for the reliability of results (Michie and Oughton, 2004). Analysing representative and comparable statistics for each season enables the identification of trends over the 15-year period, particularly comparing data pre and post the introduction of FFP in 2011.

The analysis will also include a measure of the range between the top-ranked and bottom-ranked teams' total points, offering a simplistic representation of the point spread in the league. While this measure disregards data concentration between the highest and lowest points, it supplements the two primary measures to provide a more comprehensive overview of competitive balance.

5. Findings

Upon compiling data from the 15 Greek Super League seasons selected retrieved from the official website of the league, an intricate analysis ensued utilizing the Herfindahl Index and the Standard Deviation of points. These measures aimed to depict the competitive balance. The Herfindahl Index assesses the disparity between clubs in a league by gauging each club's share of total points relative to the competition. In a 16-team league like the Super League, the Herfindahl Index typically ranges between 0.05 (indicating a balanced league) and 0.07 (depicting an unbalanced league) (Michie and Oughton, 2004).

Initial observations of the minimum, maximum, and mean points values (Figure 1) underscore football's varied and unpredictable nature (Buraimo *et al.*, 2007). Although the Greek Super League naturally forms a hierarchy (even called a monopoly at times – e.g., by Manoli and Antonopoulos, 2015), the absolute points vary between seasons, indicating that singular season comparisons may be limited. Long-term trends, however, prove more illustrative and representative.

The examination of range calculations, revealing the point differential between first and last positions, unveils substantial variability across seasons (Figure 3). Notably, the 69 and 72-point differential in the seasons 2015/16 and 2018/19 respectively surpass the winning points total in 2004/05 (65 points) and exceeds the points tallies of second-placed teams in 12 instances. This disparity correlates with the significant difference in market values of the clubs, and highlight financial strength as a key driver of competition,

encouraging risky financial behaviour among clubs seeking victory (Franck and Lang, 2013).

Figure 1 – Minimum, maximum and mean points

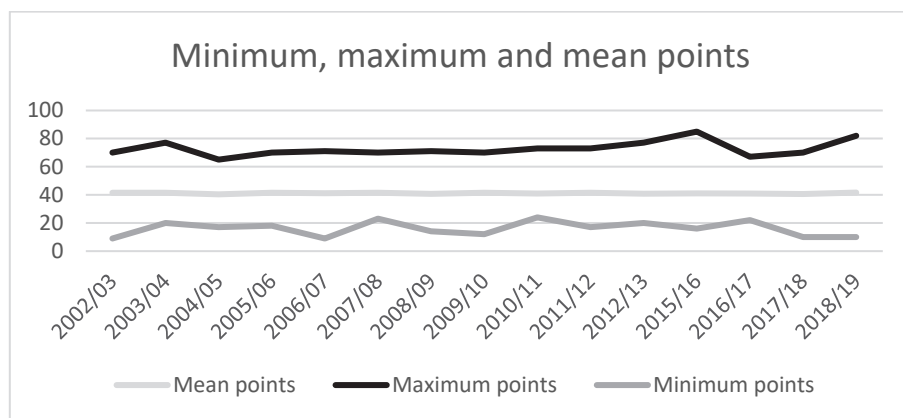
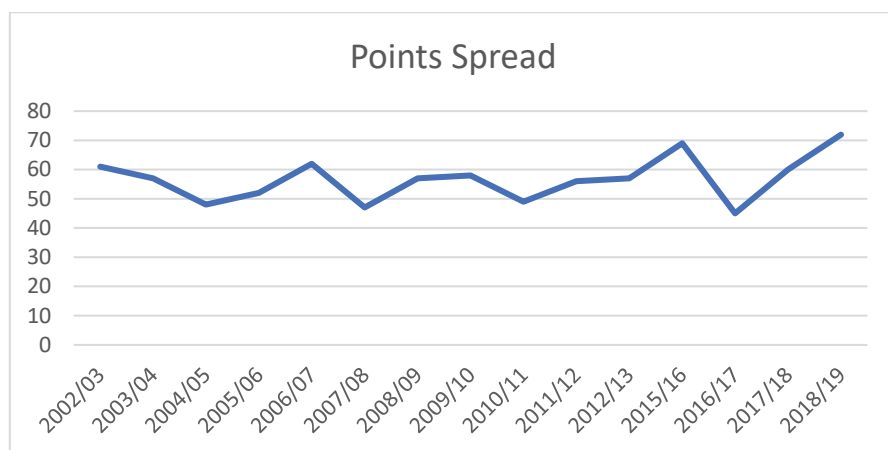


Figure 2 – Points spread

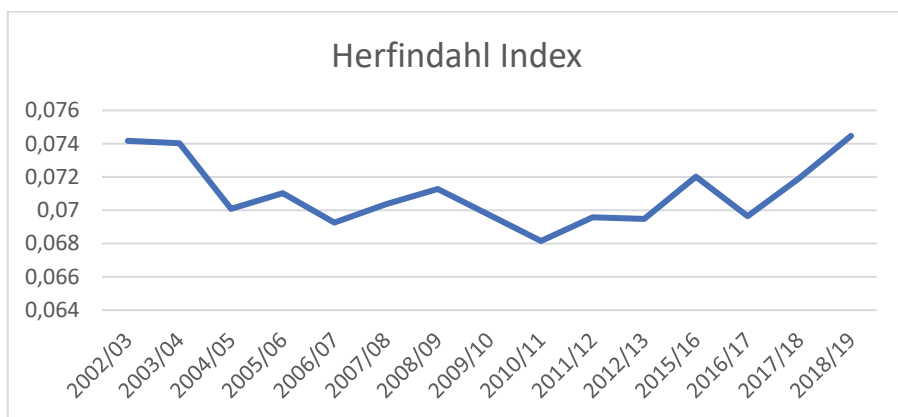


Herfindahl Index results (see Figure 3) indicate that while originally the league was very imbalanced competitively, a notable gradual improvement was noted from seasons 2002/03 – 2010/11, in which we see the league being the most competitively balanced.

This improvement, contradicts the wider suggestion that a general decline in competitive balance was noted in modern day football, inviting for the

introduction of the FFP regulations (Michie and Oughton, 2004; Goossens, 2006; Pawlowski *et al.*, 2010). This decline linked to substantial financial disparities among clubs due to increased prize money for sporting success was argued while analyses were based on major leagues (Drut and Raballand, 2012; Lee and Fort, 2012), which explains why such an opposite trend in competitive balance has not thus far been captured within existing studies.

Figure 3 – Herfindahl Index



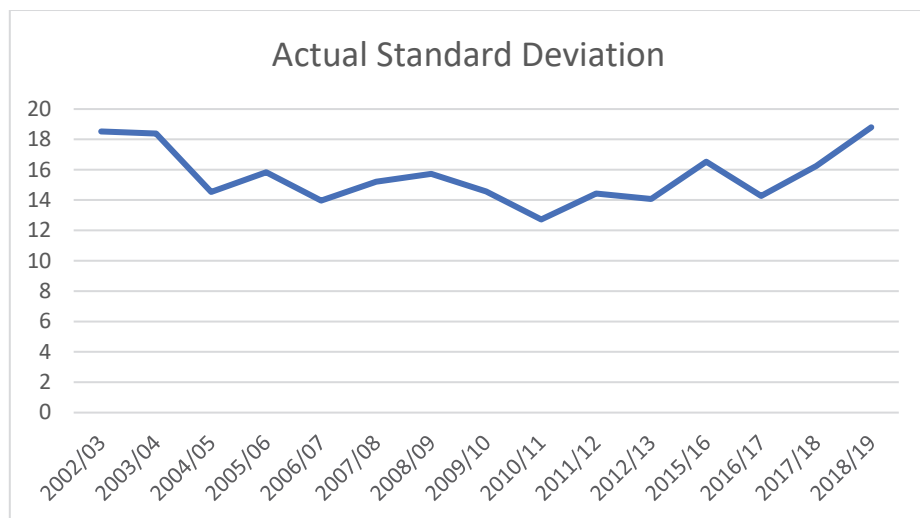
Post the 2010/11 dip, the Herfindahl Index witnessed fluctuations, alternating between growth and decline, which nevertheless follow an upward trend, indicating a steep decline in the competitive balance of the league. While this coincides with the introduction of the FFP regulations implementation, this helps hint at a potential FFP impact post-implementation. The FFP's introduction coincided with the league experiencing an improvement in competitive balance, yet it appears to have reversed the improvement trend. Identical results can be also seen in the standard deviation of the league's points, as it can be seen in figure 4 below.

Subsequent seasons revealed decreased competitive balance, with the final season examined, 2018/19 indicating the most competitively imbalanced season for the Greek Super League. Interestingly, this decline of competitive balance in the league coincided with the financial shift introduced by the FFP regulations, which emphasized the need for efficiency, innovation, and good management as competitive drivers (Wilson *et al.*, 2013; Franck, 2014).

This changing competitive landscape suggested a potential shift from an improving competitive balance to an increasing competitive imbalance which seems to be worsening as time progresses. As such, unfortunately, we are presented with findings that not only echo but maybe amplify the existing

criticisms, in that the FFP regulations seem to negatively influence the Greek Super League’s competitive balance, hinting at a new era of competition (Lee and Fort, 2012; Lindholm, 2010; Szymanski, 2014) in the football landscape of the country.

Figure 4 – Actual Standard Deviation



6. Discussion

This inquiry delved into the ramifications of financial fair play (FFP) regulations on the Greek Super League. Extant literature critiques these regulations, primarily centring on their legality, necessity, and potential side effects. In response to these concerns and complementing previous research on the matter (Freestone and Manoli, 2017; Plumley *et al.*, 2019; Garcia-del-Barrio and Rossi, 2020), we focused on previously unexplored medium to small sized leagues and in particular the Greek Super League. Through our analysis, we therefore suggest that the FFP can indeed prove detrimental to the league’s competitive balance. As such, initial criticisms stemmed largely from theoretical constructs, hypotheses, and extrapolations from analogous scenarios in other sporting and business domains, seem to be manifesting in the case of the Greek Super League.

Chief among the concerns was the anticipated decline in competitive balance within football leagues, speculating that these regulations could solidify the existing hierarchical structure, favouring affluent clubs at the league’s

summit (Sass, 2014; Szymanski, 2014). The premise suggested that smaller clubs, restricted from external financial sources, would struggle to compete, as fiscal prowess traditionally correlates with success (Vopel, 2013). Critics feared FFP might fortify the status quo, privileging a select group that previously exploited the absence of financial regulations in football.

In line with this, the study's findings paint a vivid picture of the immense disparity noted in the competitive balance of the Greek Super League, which appears to be coinciding with the introduction of the FFP. As the analysis shows, the improvement originally noted in the competitive balance of the league (pre-FFP) seems to be halted and in fact reversed after the FFP regulations are implemented. As such, the results amplify criticisms against FFP, while adding to them that the fears expressed in regard to the bigger European football leagues might be also manifesting in medium to smaller size leagues within the continent.

In our study, we note an improvement in the competitive balance of the league which seems to be halted and indeed reversed with the introduction of FFP. The improvement, right before the introduction of the FFP misaligns with the wider concerns expressed at the time that a decline in competitive balance occurred in modern day football, which in turn called for the introduction of FFP regulations (Michie and Oughton, 2004; Goossens, 2006; Pawlowski *et al.*, 2010). These arguments however, and the wider links noted between increased prize money for sporting success were made based on studies focusing on major leagues around Europe (Drut and Raballand, 2012; Lee and Fort, 2012), potentially explaining why an opposite trend was noted in our study, and indicating the implications of our study to the wider appreciation of competitive balance in smaller or medium sized leagues. The rise of a wealthy elite at major leagues' pinnacle accentuates the impact of Champions League payments on this decline (Pawlowski *et al.*, 2010; Goossens, 2006), while such disparities manifest in larger points gaps at the top while emphasizing the oligopolistic nature of the leagues (Michie and Oughton, 2004; Vopel, 2013). In the case of the Greek Super League, and while similar assumptions could be made based on the noted importance of European Champions League payments (Manoli and Antonopoulos, 2022) the opposite trend is noted here, inviting for further research to better capture and explain competitive balance trends in small and medium size leagues across Europe.

While more research is required in other medium and small size leagues around Europe, in light of the findings of this study, FFP emerges as a much-feared initiative for the Greek Super League, failing to address financial disparities that previously plagued European football, and worsening its overall competitive balance. This practical implication of our study, paints indeed a bleak picture for the implications of FFP in competitive balance in such a

league. Even if FFP inadvertently impacts competitive balance, rectifying financial imbalances takes precedence over ensuring equitable competition (Andreff, 2011). The regulations' impact, fostering an environment that values sporting merit over financial prowess, signifies a significant paradigm shift, which has nonetheless yet to manifest in the Greek football context. As research on it has argued (Manoli and Antonopoulos, 2022) the financial health of the Greek Super League appears to be also worsening as years pass, leading us to question whether the FFP regulations have in reality had any positive impact on the league at all. Raising this question, as it emerged through the findings of our study, allows us to pinpoint the wider practical implications of the policy introduced, in order to better capture its effects on leagues of various sizes. Although further research is crucial due to this study's limitations, the signs of FFP's potential negative influence on league dynamics warrant continued investigation, especially across diverse European leagues subject to distinct FFP implementations. This evolving landscape may prompt clubs to develop innovative business models and foster a more balanced approach between sporting success and financial sustainability, ultimately enhancing efficiency and good management practices (Wilson *et al.*, 2013; Franck, 2014).

7. Conclusion

In this study, examining the competitive balance of the Greek Super League before and after the introduction of the FFP regulations, we offered a first insight on a previously unexplored medium to small league. The results of our study, demonstrate the (unintended) effects the regulations had on competitive balance within the league, further expanding our appreciation of the effects of FFP beyond big leagues in European football.

Taking all the above into consideration, it is worth noting that the inherent unpredictability in sports, especially in European club football, results in annual fluctuations in club performances (Buraimo *et al.*, 2007). Hence, distinguishing between natural fluctuations in competitive balance and changes due to FFP introduction can be challenging. Even if the results suggest a noticeable shift in competitive balance post-FFP introduction, attributing this change exclusively to FFP could be challenging due to the multitude of other factors influencing competitive balance. Nonetheless, analysing competitive balance trends and potential effects of FFP in the Greek Super League in this study, offered valuable insights into policy implications and the potential future management of European club football, especially in smaller and medium sized leagues.

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