WHAT DRIVES PERFORMANCE – DIVERSITY, SELECTIVITY, EXPERIENCE OR METHODOLOGY?

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Relegation is a serious concern for soccer clubs in the bottom echelons of a lucrative league such as the EPL. The key performance criterion for newly promoted clubs is to avoid relegation, and it is important for these clubs to invest in their squads and build up their resources. Previous International Business studies have studied the link between resource positions and firm performance in cross sectional data settings. However, a specific performance outcome such as relegation may not occur in one cross sectional snapshot, only to occur subsequently. This article explores the resource drivers of club performance in a time-to-event Cox regression framework, where the event is relegation; and compares the hypotheses testing results with results obtained from Logistic regression analysis. We find resources diversity is important in the Cox regressions whereas it is significant in only one particular definition of the observation time window in Logistic regressions, which is difficult to establish apriori. We call for a triangulation of cross sectional studies of performance events with an analysis in the time-to-event setting.

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