

Executive and managerial insights into developing, launching and operating an expansion sport franchise

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Abstract

Purpose – The purpose of this paper was to investigate the organisational development processes used by the National Hockey League's most recent expansion club, the Seattle Kraken, during their launch and early operational phases. This paper specifically focuses on the organisational development processes used by upstart sport franchises during periods of environmental turbulence.

Design/methodology/approach – The authors conducted semi-structured interviews with seven Seattle Kraken executives and managers involved in the organisation's development, launch and subsequent operations during the franchise's first several seasons. Participants included individuals from various functional areas. The empirical material was analysed using reflexive thematic analysis to identify key organisational strategies.

Findings – Three primary themes were established. In Targeted Talent Acquisition and Development, domain expertise was prioritised over sport-specific experience during personnel decisions. In Organisational Storytelling and Identity Construction, brand ambiguity was allowed to enable stakeholder co-creation of meaning. In Stakeholder Integration and Community Embeddedness, systematic stakeholder research was conducted before developing organisational initiatives. These processes shaped the development of organisational capabilities during the challenges inherent in building a new venture within the institutional framework of big-time professional sport.

Originality/value – While scholars have extensively studied brand development among sport organisations, limited attention has been paid to the organisational development processes used during franchise launches. This study contributes to understanding how professional sport organisations build internal capacities during their formative stages, thereby providing insights for practitioners who face similar organisational challenges during team launches, relocations or rebrands.

Keywords Organisational development, Strategic human resource management, Sport management, National hockey league, New venture development, Organisational identity

Paper type Research paper



Introduction

Professional sport teams can highly be lucrative assets, but they require massive upfront financial investments (Knight and Teitelbaum, 2024). Recent expansion fees – the “entry fee” paid by new team owners to existing league members – represent one such cost. Major League Soccer’s newest club in San Diego paid \$500m (Silverman, 2024), while Cadillac will pay \$450m to join Formula 1 in 2026 (Stern, 2024). Women’s professional sport has also seen substantial expansion fees, with \$165m to join the National Women’s Soccer League and \$125m to add a Women’s National Basketball Association franchise (Axon, 2025; Pelit, 2025). Meanwhile, the latest estimates for the National Basketball Association’s expansion fee have reached \$5bn (Booth, 2025). These expansion fees represent only the initial cost of joining the league and do not reflect other expenses related to personnel, business operations, facility ownership or event management. Stadium costs alone have averaged \$1.24bn for facilities constructed since 2010, with public investment averaging nearly \$366m (Bradbury *et al.*, 2023, 2024).

As expansion fees have increased, the desire for leagues to expand has resulted in the development and launch of multiple expansion franchises in North America and globally. In North America, the National Hockey League (NHL) has seen two expansion franchises launch since 2015, with the Vegas Golden Knights beginning play in 2017, and the Seattle Kraken – our focal organisation – launching in 2021. Since 2015, Major League Soccer has been in a period of rapid expansion with more than ten franchises being launched, the most recent of which is San Diego FC who began play in 2025.

Women’s sport has seen vast expansion with both new leagues and teams having been recently launched. At the league level, the Professional Women’s Hockey League began play in 2024 with six teams (Gisiger, 2024). In 2025, the league announced that expansion franchises had been awarded to Vancouver and Seattle, with further expansion planned for 2026 (Kennedy, 2025). The National Women’s Soccer League added Racing Louisville FC in 2021, and Angel City FC and San Diego Wave FC in 2022. The Women’s National Basketball Association saw the Golden State Valkyries begin play in 2025, with Portland, Oregon, and Toronto, Ontario, Canada, slated to begin play in 2026. Furthermore, they announced that new franchises have been awarded to Cleveland, Detroit and Philadelphia, who will begin play in 2028, 2029 and 2030, respectively (WNBA, 2025).

Globally, expansion has occurred in the Indian Premier League (cricket) through the development of the Gujarat Titans and the Lucknow Super Giants, as well as the introduction of the Women’s Premier League (cricket), which began play in 2023. Another example was in soccer, with the Australian A-League adding Western United FC in 2019.

In many ways, expansion franchises in professional sport resemble traditional start-up companies. Research has extensively examined the organisational challenges facing start-up ventures and the leadership approaches required to build scalable enterprises (Abebe *et al.*, 2020; Picken, 2017). Expansion sport franchises face similar developmental challenges, including building organisational culture, establishing operational systems and creating effective leadership structures from inception. However, sport franchises also operate within the special constraints and advantages that come with their membership in professional leagues. While expansion franchises benefit from unique advantages inherent to sport business and league membership – including revenue-sharing agreements, entry draft lotteries and territorial rights – such institutional membership also creates distinctive organisational challenges that differentiate sport franchise development from traditional entrepreneurial ventures (Stewart and Smith, 1999). These distinct organisational dynamics merit further empirical investigation.

With few exceptions, expansion sport teams struggle to achieve competitive success in their early seasons, making the organisation's front office and business operations critical determinants of franchise development and operations. Given the multiple performance dimensions in professional sport (e.g. competitive, financial and social outcomes), evaluating organisational success, particularly during early operational phases, remains inherently complex and temporally contingent. When a new sport franchise launches, public and industry attention naturally gravitates towards visible elements like player drafts, uniform unveilings and marketing campaigns. However, behind these public-facing components exists an organisational structure that can navigate the complexities of simultaneously building organisational culture, operational systems and brand identity (Davies and Read, 2023). As Slack and Parent (2006) noted, because sport organisations face unique challenges in balancing business operations with performance outcomes, they require specialised management approaches distinct from traditional business sectors.

While sport management scholars have extensively studied brand development (Wear and Heere, 2020), limited attention has been paid to the organisational processes and talent management strategies used during franchise launches. In one such case, Davies *et al.* (2023b) examined the managerial perspective of expansion franchises within Major League Soccer, but there remains a need to understand the organisational dynamics across multiple functional areas within a single franchise. To address this gap, we investigate the organisational development practices used by the Seattle Kraken, an NHL team that began play in 2021, during their launch and early operational phases. The Kraken were selected not to evaluate their success relative to other franchises, but because:

- they represent a recent, accessible case of organisational founding in a major professional sport league;
- the recency of their launch provided access to key organisational decision-makers during formative operational phases; and
- the franchise's high visibility provides rich contextual information about the expansion process.

As organisational scholars have long noted, assessing new venture success is complicated by multiple performance dimensions, varying time horizons and the liability of newness that characterises early organisational life (Aldrich and Ruef, 2006; Stinchcombe, 1965). Therefore, our aim is exploratory and descriptive.

Through interviews with senior managers across different organisational functions, we identify the strategic priorities of talent acquisition, organisational identity formation and stakeholder integration that facilitated the development of this expansion franchise. To provide a theoretical context for these processes, we first examine the existing literature on organisational development in professional sport, with particular attention to talent management strategies and stakeholder integration approaches that may inform early franchise success.

Literature review

Organisational development and talent management in professional sport

Like other businesses, developing new sport organisations necessitates strategic approaches to building structures, systems and human capital (Smith and Stewart, 2010). But professional sport organisations also function within unique institutional environments that combine commercial business imperatives with public-facing performance expectations (e.g. from fans and sponsors; Washington and Patterson, 2011). This distinctive context requires

specialised organisational competencies that the mainstream business literature may not fully capture. Furthermore, organisational scholars have recognised sport as a fertile context for examining organisational development processes, particularly during institutional change (Cousens and Slack, 2005).

New professional sport franchises must rapidly develop organisational capabilities while navigating league mandates, market expectations and competitive pressures (Berri and Schmidt, 2006). Cunningham (2013) suggests that sport organisations face additional challenges in developing organisational effectiveness due to the multiple stakeholders and performance metrics they must simultaneously satisfy. The organisational development literature has identified several critical factors for new venture success, including strategic leadership, resource acquisition and organisational identity formation (Aldrich and Ruef, 2006), all of which apply directly to sport expansion franchises.

The resource-based view of the firm posits that competitive advantage emerges primarily from valuable, rare, inimitable and non-substitutable resources (Barney, 1991), with human capital representing perhaps the most critical resource for knowledge-intensive organisations (Wright *et al.*, 2001). In professional sport organisations, human resource strategies must address both sport-specific expertise and business management capabilities. Taylor *et al.* (2025) have underscored the importance of aligning talent acquisition with organisational objectives, arguing that strategic human resource management practices significantly impact organisational performance in sport.

For expansion franchises, the liability of newness (Stinchcombe, 1965) presents particular challenges in attracting and retaining personnel capable of building organisational systems from inception. Chelladurai and Kim (2023) suggest that sport organisations must develop distinctive talent management approaches that accommodate the industry's unique characteristics, including public scrutiny, emotional attachment and performance variability. As discussed later, the systematic recruitment of experienced professionals from both within and outside the sport industry may help expansion franchises overcome knowledge gaps and accelerate organisational learning (Wolfe *et al.*, 2006).

Organisational identity and stakeholder integration

Organisational identity (OI) – the central, distinctive and enduring characteristics that define an organisation (Albert and Whetten, 1985) – provides a foundation for strategic decision-making and stakeholder relationships. For new sport franchises, establishing OI involves both internal culture development and external positioning with local (and leaguewise) competition. Gioia *et al.* (2013) conceptualise OI as dynamic rather than static, particularly during formative periods when organisations actively construct their defining characteristics via leadership actions and symbolic management.

Sport organisations often develop identities that incorporate geographic, historical and cultural elements from their local environments (Heere and James, 2007). While the connection between organisational and community identity can create unique advantages, it requires deliberate cultivation through community engagement and authentic storytelling (Lock *et al.*, 2009, 2011). For expansion franchises entering markets without rich sporting traditions, the absence of historical anchors may necessitate alternative approaches to constructing a brand identity. These approaches include proactive community integration and value alignment with key stakeholders (Kunkel *et al.*, 2016).

As discussed previously, sport organisations operate within complex stakeholder environments that include fans, sponsors, policymakers, media partners and community groups (Friedman *et al.*, 2004). Babiak and Wolfe (2009) argue that effective stakeholder management is a core competency for sport organisations, particularly when establishing

legitimacy in new markets. Community embeddedness – the integration of an organisation within its local social and economic context – provides particular advantages for sport organisations (Mason and Slack, 2005). Through strategic community engagement initiatives, sport franchises can foster reciprocal relationships that enhance organisational legitimacy and resource access (Sheth and Babiak, 2010). For expansion franchises that inherently lack an established community presence, deliberate approaches to identify and respond to community priorities can accelerate their embeddedness and facilitate stakeholder support (Kihl *et al.*, 2014).

Within the organisation, developing organisational culture – the shared assumptions, values and artefacts that guide organisational behaviour (Schein, 2016) – is of critical importance for expansion franchise leaders. Frontiera (2010) found that successful organisational culture change in professional sport requires leaders who can articulate compelling visions, model desired behaviours and institutionalise cultural values through systems and processes. In start-up contexts, founding leaders disproportionately influence the formation of culture through their hiring decisions, strategic priorities and communication patterns (Baron and Hannan, 2002). In the context of new sport franchises, widening internal capabilities while simultaneously building relationships with diverse constituents can pose significant challenges (Nauright and Ramfjord, 2010).

Within the sport management literature, recent work by Davies *et al.* (2023a) and Armstrong *et al.* (2023) provides important perspectives for understanding the external dimensions of expansion franchise development. However, limited research has been centred on the internal organisational processes that support expansion franchise launches. We aim to address this gap by investigating the organisational strategies used by Seattle Kraken executives during their launch and early operational phases. We outline our methodological approach below.

Method

Research context

Since 2020, North American sport has experienced significant organisational transformation through team launches, relocations and rebranding initiatives across multiple leagues. Examples include Angel City FC (National Women's Soccer League), Austin FC (Major League Soccer), the Cleveland Guardians (Major League Baseball), the Washington Commanders (National Football League) and – the focus of this study – the Seattle Kraken (NHL). These organisational developments have coincided with dramatic industry shifts in professional sport – through pandemic disruptions, increased focus on social justice and technological advances, including remote work and artificial intelligence. These contextual factors create unique organisational challenges for sport executives tasked with building effective organisations during environmental turbulence.

Seattle, Washington, has long ties with professional sport, both generally and specifically with ice hockey. Indeed, Seattle was the first American city to win the Stanley Cup in 1917, when the Seattle Metropolitans defeated the Montreal Canadiens in a best-of-five series between the champions of the Pacific Coast Hockey Association and the National Hockey Association. The Metropolitans team ceased operations in 1924 (Roarke, 2023). The journey to bring an NHL team to Seattle began in earnest in early 2013 through *NHL to Seattle*, a grassroots movement of passionate hockey fans. These efforts culminated in December 2018, when the NHL Board of Governors unanimously approved an expansion application from the city (Davies *et al.*, 2022). The ownership group, Seattle Hockey Partners, was notably led by the late David Bonderman. His daughter, Samantha Holloway, was named executive committee chairperson in 2022. Other key members of the ownership included

Amazon CEO Andy Jassy, film producer Jerry Bruckheimer, Nike Foundation founder and Chair Maria Eitel and sport executive Tod Leiweke (Schram, 2022).

A significant financial commitment underpinned the club's entry to the league, as Seattle Hockey Partners paid a \$650mn expansion fee. Fans demonstrated demand almost immediately, as the organisation received over 32,000 season ticket deposits in 24 h in March 2018 (Davies *et al.*, 2022). In July 2020, amidst the COVID-19 pandemic, they announced their team name, the *Kraken*, and their associated branding, colours and home jersey. The *Kraken* name and brand were designed to reflect Seattle and the Pacific Northwest region, while also offering a new and mysterious canvas for brand managers to build from (Armstrong *et al.*, 2023). The franchise officially became the NHL's 32nd team in April 2021, upon payment of the final instalment of the expansion fee. The *Kraken* played their first regular-season NHL game on 12 October 2021, losing 4–3 against the Vegas Golden Knights, themselves a relatively young club that established operations in 2017.

A crucial component of Seattle's NHL bid was the extensive renovation of the city's historic KeyArena, originally constructed for the 1962 World's Fair and past home of the former Seattle SuperSonics (National Basketball Association) and Storm (Women's National Basketball Association). The redevelopment project began in December 2018 and involved preserving the arena's original pyramidal roof, a designated historic landmark, while constructing entirely new infrastructure beneath it. The process involved digging as deep as 90 feet below ground and situating the ice surface at 53 feet below ground level (Condor, 2020). Financing for the \$1.15bn renovation project was entirely privately sourced. Oak View Group, the project developer and arena operator, and its partners (including the *Kraken*) paid the construction costs and were responsible for all overruns (Obando, 2021). As the venue owner, the City of Seattle entered into a long-term lease agreement with Oak View Group, spanning 39 years with options for extensions.

In a landmark deal that reflected a strong commitment to environmental sustainability and responsibility among all partners, Amazon secured the naming rights to the arena and named it Climate Pledge Arena. The Climate Pledge, introduced by Amazon and Global Optimism in 2019, requires corporate signatories to commit to achieving net-zero carbon emissions by 2040. To further their commitment to philanthropy and positive community involvement, the *Kraken* launched its philanthropic arm, the One Roof Foundation, the mission of which was to "advance equity and sustainability by increasing opportunities to thrive for our most vulnerable young people and communities" (One Roof Foundation, 2025). The *Kraken*, One Roof Foundation and Climate Pledge Arena have placed environmental sustainability at the core of their operations and brand messaging. Whether through publicly accessible climate dashboards, complimentary public transit to arena events, a rain-to-rink water catchment and icemaking system, or the complete elimination of single-use plastics, it is apparent that sustainability is central to the identity of professional hockey in Seattle (Armstrong and Kellison, 2025).

Since beginning play in 2021, the *Kraken* have made the Stanley Cup Playoffs once, in their second season. The team missed the playoffs in the two subsequent years. In 2025, Ron Francis, the General Manager from the organisation's outset, was made President of Hockey Operations, and Jason Botteril took the helm as General Manager. Meanwhile, attendance at Climate Pledge Arena over the *Kraken*'s first four seasons has averaged 100% (or greater) capacity (Seattle *Kraken* Yearly Attendance Graph, 2025).

Empirical material

Following Institutional Review Board approval, we used a purposive snowball sampling method to identify research participants. Using our personal and professional networks, we

contacted and secured interviews with multiple members of the Seattle Kraken's senior staff. To understand their perspectives regarding the development and execution of a new sport organisation, we used an exploratory qualitative design utilising semi-structured interviews. Informed by the abovementioned principles, including brand development and OI, we developed an interview guide consisting of several initial questions. Probing questions were frequently used to dig deeper into particular topics.

Seven Seattle Kraken employees – six executives (Vice President or Senior Vice President) and one Senior Manager – were interviewed between January and May 2024 (see [Table 1](#)). We deemed our sample of seven employees to be appropriate for our research aims based on several considerations. First, the sample collectively demonstrates strong information power ([Malterud et al., 2016](#)), as our study features highly specific aims (i.e. understanding organisational development processes in expansion franchises) and a highly specific sample (i.e. senior executives with strategic decision-making authority), conditions under which smaller samples are not only acceptable but often preferable. Furthermore, the elite nature of our sample (in which “those who are being studied are ‘in the know’”; [Mikecz, 2012](#), p. 483) justifies the smaller size, as all participants held C-suite or decision-making authority and represented more than one-third of the senior leadership team.

As sport management scholars with extensive experience studying professional sport organisations, we acknowledge that our familiarity with the industry facilitated rapport with elite participants but also created potential for confirmation bias towards seemingly successful organisational narratives. We addressed these concerns through rigorous analytic procedures, including requiring multiple sources of evidence to establish themes, deliberately attending to contradictions and challenges in participant accounts, and explicitly examining tensions in each organisational approach we identified. Our prior knowledge enhanced our ability to probe strategic decisions during interviews, while our systematic coding procedures helped ensure our findings reflected organisational complexity rather than uncritical acceptance of executive perspectives.

Interviews lasted between 45 and 70 min and were recorded using the Zoom video conferencing platform. Audio recordings were transcribed using Zoom's native transcription service to produce an initial transcript of each interview. We then reviewed the automatically generated transcriptions for accuracy, including editing misspelled words (e.g. “crackin” replaced by “Kraken”) and brevity (e.g. the removal of inconsequential and repeated words). Final edited transcripts totalling 115 pages of single-spaced text were inductively analysed, using the procedure described by [Braun and Clarke \(2019, 2021\)](#). This process included open and axial coding and subsequent reflective thematic analysis. In total, 37 initial codes were developed, which were then grouped into the three themes presented in the next section.

Table 1. Participant information

Pseudonym	Title	Year in organisation
Anthony	Vice President	4th
Brett	Senior Vice President	6th
Ed	Vice President	3rd
Jane	Senior Vice President	6th
Jeremy	Senior Vice President	6th
Monique	Senior Manager	4th
Vince	Vice President	4th

Source(s): Authors' own work

Results and discussion

On the basis of our analysis of the empirical material from seven Seattle Kraken executives and managers, we identified three primary themes related to organisational development: Targeted Talent Acquisition and Development, Organisational Storytelling and Identity Construction and Stakeholder Integration and Community Embeddedness. These themes illustrate the organisational processes that facilitated the expansion franchise's emergence and operation.

Targeted talent acquisition and development

The Kraken's approach to organisational development began with a deliberate talent acquisition strategy that prioritised task-specific capabilities over traditional sport industry experience. Their technique aligns with resource-based theories of competitive advantage that emphasise human capital as a critical organisational resource (Barney, 1991). Jeremy highlighted this strategy by noting the Kraken "hired people who are dramatically overqualified for the jobs they're in." Rather than limiting recruitment to candidates with sport-specific knowledge, the organisation deliberately sought professionals with diverse skillsets from various sectors, including government, technology and corporate philanthropy. As Brett explained:

I've been here the full time. [...] We were affectionately known as NHL Seattle [...] No brand, no logo, no team name, no colour scheme, no coach, no general manager—certainly no players. And, so, we [had] no hockey staff. We were literally 10 people sitting around a table, kind of putting it all together.

This strategic talent acquisition approach enabled the organisation to develop specialised capabilities for addressing complex challenges related to transportation infrastructure, sustainability initiatives and community engagement – areas requiring expertise not typically found within sport organisations. As Jeremy elaborated:

[The Kraken] found me. Found a whole bunch of us who are very atypical hires for sports—I still know less about hockey than 95% of this organisation. But I am not getting paid to give advice about draft picks or line changes. I'm hired to make sure that literally the trains are running on time, and that we're fulfilling all these super-weird, policy-nerd objectives.

The organisation's recruitment strategy reflected an understanding that building a professional sport franchise requires diverse competencies beyond sport-specific knowledge. As a result, the Kraken's early staff were immediately capable of simultaneously addressing the new venture's operational, strategic and community-focused objectives. Brett, an executive with extensive start-up experience, described the organisational development challenge:

I've been doing startups for more than 20 years. I've done a lot them, and I describe this as one of the – certainly the most interesting, most fun and most well-funded startups that you could ever imagine. From one perspective, it's been a big ball of wax, and we get to shape it in whatever way we want. And from another perspective, it's a bit of a ball of twine. You get a lot of intermingling of ownership and executives and the league itself. And there's a lot of different things you have to stitch together. So, it's a blank canvas on one side, and then it's really complex on the other side. But it has been an amazing startup to be a part of.

This description illustrates the paradoxical nature of expansion franchise development – combining entrepreneurial freedom with institutional constraints – and highlights the importance of managers with the requisite capability to navigate these complexities. By recruiting professionals with deep expertise in their respective domains, the Kraken

developed organisational capabilities that enabled them to navigate the challenges that arose from building a new venture within the institutional rigidity of the NHL.

This approach to talent acquisition involved significant trade-offs. While recruiting senior professionals with diverse domain expertise provided specialised capabilities, it also required substantial financial investment and created potential challenges. Organisations must balance the benefits of overqualified talent against risks, including higher salary costs, potential turnover if highly credentialed professionals seek advancement opportunities unavailable in a start-up environment and possible cultural integration challenges when combining individuals from disparate organisational backgrounds. The Kraken's decision to prioritise domain expertise over sport-specific experience reflected their strategic priorities and resource availability; however, other expansion franchises might reasonably prioritise different criteria based on their specific contexts.

Organisational storytelling and identity construction

The second theme centred on how OI was constructed through deliberate storytelling. Rather than imposing a fully formed OI, Kraken leadership fostered an organisational culture that encouraged the co-creation of meaning between the organisation and its stakeholders. This approach aligns with contemporary views of OI as socially constructed and maintained through ongoing narrative processes (Gioia *et al.*, 2013). A distinctive aspect of the Kraken's OI design was that it allowed brand representation ambiguity and enabled stakeholders to participate in meaning creation. According to Vince, the Kraken "do not want to rob the brand equity from fans by showing them too much about the brand. We want them to create their own meaning." This strategic ambiguity facilitated deeper stakeholder engagement by encouraging their participation, a practice increasingly recognised for its effectiveness in fostering authentic stakeholder connections (Ravasi and Schultz, 2006).

To develop organisational authenticity, Kraken executives immersed themselves within the Pacific Northwest region. Vince described how organisational members conducted field research throughout the region, acknowledging that "we all want to spend a bit more time away from our desk." These field trips included spending time on operating tugboats and salmon seiners, analysing historical documents and cartography, and creating digital representations of textures germane to the geographic area. This practice enabled the Kraken to embed local cultural elements into their organisational culture, thereby creating alignment between their OI and community values.

The Kraken's approach to identity construction created implementation challenges for external stakeholders accustomed to more prescriptive strategies. Monique, a senior manager on the partnership marketing team, described these challenges:

It's something our partners really struggled with on the front end, because naturally, everyone was like, "What do we put on? What character do we get to use?" because we didn't have a mascot, and so everyone went heavy tentacles, and we had to coach them, we had a very specific role on the front end.

Despite these issues, the organisation maintained its commitment to the emergent identity approach, recognising the long-term value of co-created organisational meaning. Anthony explained how this approach leveraged cultural patterns already present in the established Seattle sport environment:

I can only talk about game presentation in this instance, but the fan journey into our arena—we recognise that here in Seattle, fans are known to be loud. They are known to be smart and intelligent. And they're known to be very passionate. And for us, we wanted to utilise those elements in everything that we did to create an environment where fans can come in and be really

loud. They can show their passion for their city because no matter what, [...] if you are a sports team in Seattle, the fans here are going to root for you.

While identity construction provided the internal foundation for organisational development, the Kraken's external legitimacy depended equally on their ability to establish meaningful relationships with diverse community stakeholders, as highlighted in the next section.

Stakeholder integration and community embeddedness

The third theme focused on the organisation's deliberate approach to stakeholder integration and community embeddedness. Consistent with stakeholder theory (Freeman, 1984), Kraken executives recognised that organisational legitimacy and the community's long-term support depended on leaders' abilities to understand and address the needs of diverse constituent groups. Unlike organisations with established stakeholder relationships, expansion franchises need to develop these connections from inception. Jane highlighted how stakeholder considerations remained central to the Kraken's organisational decision-making:

I think the focus on the fans hasn't changed. And the community hasn't changed. That, to me, has been just fundamental from the very beginning. I think the execution of [the Kraken brand] obviously has evolved and we've learned things as situations arise. But that is what drives pretty much every decision we make: Is this good for our fans? Is this good for our community? Are we leveraging our platform and our position for good? Then to uplift and unite and help – you know, make things better – that's what sports teams do. [...] We're improving it based on what we're learning, but the fundamentals? I don't think those have changed.

This stakeholder-centric approach to organisational decision-making reflects an understanding that sport organisations derive legitimacy and support from their perceived social value and community embeddedness (Babiak and Wolfe, 2009). As illustrated above, the Kraken developed organisational structures that facilitated community alignment.

As part of this strategy, the organisation employed systematic stakeholder research before implementing its organisational initiatives. Vince described this approach:

Fans have opinions. But I think making sure—because you're starting from scratch—that you listen to the fan base, internalise, you don't have to reveal everything [...] but you at least get a beat, and you understand where their heads are at. And then you can also play that back and say, "Listen, we have opinions, but we listened to you." And I think that was part of the process of taking time. And I think building community connections before there was a team takes time. Meeting with a lot of First Nations tribes here, it was really important to build trust with these different community leaders and get their opinions. [...] And so I think there is a lot of consensus building, or at least listening that had to be done; a lot of community sessions, potential season ticket member listening sessions, all that stuff, you do the work up front, so that you have those foundations to lean on later.

This deliberate approach to understanding their constituents illustrates how the organisation worked to establish legitimacy within a wide range of community groups, including Indigenous communities.

The Kraken extended its stakeholder integration approach to include relationship development between organisational members and the community with aligned interests. For instance, the organisation began engaging its most front-facing human resources – Kraken players – to strengthen relationships with the community. However, as Ed. explained, this strategy was complicated by the team's launch during the pandemic:

We're trying to humanise players. I mean, year one [...] was a runaway train. We just jumped on and held on for dear life. But [...] we couldn't do a lot of things. We were still in very much a COVID protocol [...] We couldn't do any appearances in year one. And that hurt us from a

fan-building and community-building standpoint. You know, we had some creative ways that we tried to get around it—videos, things like that. But it's not the same as that human interaction. And so, in some ways, [our second season was really like our rollout]. [...] We're still trying to balance that line of education with humanising these guys – getting to know them as people and not doing it too fast, because you want the players to still be comfortable and still be able to focus on the game and win. But that's kind of our mandate. And our job right now is to try to crack that code.

The ongoing challenge of balancing stakeholder integration with operational demands (further complicated by pandemic restrictions) illustrates the inherent tensions in community embeddedness strategies for expansion franchises. While extensive stakeholder consultation can inform organisational decision-making and build legitimacy, it also requires substantial time and resource investments that may delay operational initiatives or dilute organisational focus. The Kraken's intensive stakeholder research approach reflected their strategic commitment to community embeddedness, but organisations facing different resource constraints or timeline pressures might necessarily employ more streamlined engagement approaches.

Concluding remarks

In this study, we explored the organisational development processes used by the Seattle Kraken during their launch and early operational phases. Our focus on organisational development provides insight into how professional sport organisations build internal capacities during their formative stages in high-stakes, high-visibility contexts. We identified three critical organisational processes that facilitated the organisation's development: targeted talent acquisition, deliberate identity construction and systematic stakeholder integration. Collectively, these themes illustrate how the Kraken navigated the complex challenges of building a professional sport organisation from inception. The implications of these findings extend beyond this single case study to broader questions of organisational development in highly institutionalised environments.

The Kraken's approach to organisational development challenges conventional assumptions about sport organisation staffing by prioritising domain expertise over sport-specific knowledge and experience. By recruiting "dramatically overqualified" professionals from diverse sectors (e.g. government, technology and corporate philanthropy), the organisation developed specialised capabilities steering its operations through the complexities that accompany any new venture. This approach illustrates how sport organisations can leverage human capital as a source of competitive advantage (Wright *et al.*, 2001), particularly when addressing complex operational challenges that require specialised expertise not typically found within the sport industry. Such targeted talent acquisition aligns with resource-based theories that emphasise human capital as a critical organisational resource (Barney, 1991; Wolfe *et al.*, 2006).

The organisation's method of constructing identity – allowing the brand to "exist in the theatre of the mind" – demonstrates how intentional ambiguity can facilitate stakeholder engagement by co-creating organisational meaning. Rather than the Kraken imposing their own firm interpretation, this approach invited stakeholder participation in forming the identity and defining its meaning. As discussed previously, this finding supports contemporary views of OI as socially constructed and dynamically maintained through ongoing narrative processes (Gioia *et al.*, 2013; Ravasi and Schultz, 2006), suggesting that OI development in expansion contexts can benefit from a deliberate openness to constituent input rather than prescriptive identity management.

While this ambiguity-embracing approach facilitated stakeholder engagement, it also created coordination challenges. OI ambiguity can complicate internal decision-making

when staff lack clear guidance about brand boundaries and organisational values. The tension between maintaining interpretive flexibility for external stakeholders while providing sufficient clarity for internal operations represents an inherent challenge in identity construction for new organisations. The Kraken implemented one strategy for managing this tension, although alternative approaches – such as developing strong initial brand positioning followed by iterative refinement – might be equally viable depending on the organisational context and leadership philosophy.

Regarding stakeholder integration, which involved conducting deliberate community-based research before developing organisational initiatives, the Kraken case illustrates how new ventures may establish legitimacy within diverse community contexts by building structures that facilitate community alignment and organisational embeddedness. This finding highlights the importance of evidence-based stakeholder integration in establishing organisational legitimacy (Babiak and Wolfe, 2009; Kihl *et al.*, 2014), especially for expansion franchises without a previous community presence.

Our findings contribute to organisational theory by illustrating how expansion franchises navigate the tension between entrepreneurial autonomy and institutional constraints when building new organisations within established frameworks (like league governance structures; Smith and Stewart, 2010; Washington and Patterson, 2011). This study offers practitioners potential strategies for managing the organisational design of expansion franchises or other new sport ventures. Specifically, by prioritising strategic talent acquisition over industry-specific experience, using deliberate identity co-creation approaches, and systematically integrating diverse stakeholder perspectives, sport organisations can construct robust organisational capabilities despite the challenges inherent in building new ventures.

We acknowledge that, although our methodological approach was well-suited for exploratory case study research, the sample size and composition imposed some limitations that should be considered in future research. Regarding representativeness, our sample of six senior executives and one senior manager provided strategic-level insights. However, it did not capture perspectives of mid-level managers, front-line employees or external stakeholders who also played crucial roles in the Kraken's organisational development. Executive narratives can reflect positional perspectives that emphasise strategic intentionality and successful initiatives, while potentially underrepresenting challenges, conflicts or emergent processes that are visible at other organisational levels. Regarding generalisability, although our case study findings can demonstrate *how* and *why* specific processes unfolded in this case, we cannot claim these patterns would emerge in other contexts without comparative analysis (Yin, 2017).

Several additional caveats regarding our findings warrant emphasis. First, we have not evaluated the effectiveness of these organisational processes. Professional sport organisations face multiple, sometimes competing, performance criteria – including competitive results, financial outcomes, attendance figures, community impact and stakeholder satisfaction – that evolve across different time horizons. Assessing organisational success along these multiple dimensions, particularly during early operational phases when the liability of newness looms (Stinchcombe, 1965), exceeds the scope of our exploratory case study. Second, the approaches we documented reflect choices made by one organisation in a specific context; we make no claims about their efficacy relative to alternative approaches. Third, our study occurred during the organisation's initial operational seasons, precluding assessment of long-term outcomes or the evolution of these strategies over time.

Future research might examine how these organisational development approaches evolve as expansion franchises mature beyond their formative periods. Additionally, comparative

studies that examine organisational development across different sport contexts (e.g. by league or level) could illustrate how local and institutional environments shape organisational processes (Cousens and Slack, 2005). Finally, longitudinal studies that investigate how OI evolves through ongoing stakeholder engagement would enhance understanding of identity development in sport organisations.

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