Edmonton, famous for its NHL hockey team (Edmonton Oilers), has had a change to its landscape with two minor league sports franchises, Edmonton Capitals (baseball) and Edmonton Energy (basketball), expanding into Edmonton. Both teams share similar characteristics because they have recently changed their team name, league and owner. Edmonton Capitals, originally known as the Edmonton Cracker-Cats were associated with the Northern League for three years but entered the Golden Baseball League in 2007 after the previous owner refused to provide the Northern League a letter of credit (Teeple, 2009). Darryl Katz, the owner of the Edmonton Oilers, purchased the Capitals in order to enlarge his operations and create a franchise which would be family oriented and reasonably priced (Teeple, 2009). Similarly, Edmonton Energy, formerly called the Edmonton Chill, entered the International Basketball League in 2008 after allegations of unpaid debts towards their owner Troy Barns. David Dorward, the head of Dorward and Company Chartered Accountants and president of the Edmonton Energy managed to keep the franchise in Edmonton (Canada basketball, 2009). Edmonton Capitals and Energy share similar background due to their past experiences but their present status might not necessarily be similar.

Developing a new team and establishing itself in a new environment can be a truly challenging task especially if there is already a dominant sport franchise in the area. Thus, the new organizations have to be thoughtful about the processes and practices that they use to be able to successfully operate in the market. One thing that we know from research is that practices and processes that are consistent with social norms enhance a community acceptance of a new organization (Suchman, 1995). The purpose of the paper is to explore the types of legitimation strategies that the Edmonton Energy and Capitals practice and the relationship between these strategies and social acceptance by the Edmonton sports community. Furthermore, we will try to reveal common themes that would apply to others starting a minor league franchise located in an environment that already has a dominant sport.

The principle of legitimacy which is an inseparable part of institutional theory will guide our research. Since its inception three decades ago, legitimacy has developed in different directions (Greenwood, Oliver, Sahlin, & Suddaby, 2008). Our study has been influenced by Suchman (1995) who defines legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (p. 574). Legitimation then refers to “the process by which the legitimacy of a subject changes over time” (Greenwood, Oliver, Sahlin, & Suddaby, 2008, p. 57). Suchman (1995) separates legitimacy into three major categories which include several subtypes. “Pragmatic legitimacy rests on the self-interested calculations of an organization’s most immediate audiences” and it often embraces a direct exchange between the organization and its audience (p. 578). It is divided into exchange, influence, and dispositional legitimacy. “Moral legitimacy reflects a positive normative evaluation of the organization and its activities” and it is based “on judgments about whether the activity is the right thing to do” (p. 579). It includes consequential, procedural, structural, and personal legitimacy. Lastly, cognitive legitimacy stems from “cognition rather than interest or evaluation” and it consists of comprehensibility and taken-for-grantedness (p. 582).

While legitimacy has been a common area of research in the organizational literature (Meyer & Rowan, 1977; Suchman, 1995), it also appeared in the media (Caroll & Hannan, 1989a) and automobile (Hannan, Dundon, Carroll, & Torres, 1995) industry. However, research concerning legitimacy is scarce in the sport literature. Except for a few studies such as Washington (2004), and Edwards, Mason, and Washington (2009) literature on legitimacy is missing. Hence, performing research on minor league teams, Edmonton Capitals and Energy, will enrich the scarce literature and bring a new perspective to institutional theory.

The method we use to explore the legitimation strategies will be a content analysis of media, specifically teams’ websites, official press release and statements (Krippendorff, 2004). We use the media analysis because “media are one institutionally rich indicator of society-wide legitimacy, and researchers have been working with media data since the 1990s” (Greenwood, Oliver, Sahlin, & Suddaby, 2008, p. 55). The inquiry will be separated into two
categories consisting of media analysis of the organizations’ messages on one side and audiences’ comments about the organizations on the other side. If these two categories correspond, then we can conclude that the legitimation strategies of each organization leads to social acceptance. If the strategies do not coincide, then problems could be recognized that potentially endanger the legitimacy of the organization(s).

We predict that the legitimation strategies of the Edmonton Capitals will be better received by its audience due to its proven family orientation, fundraising activities, and reasonable ticket prices, all of which have led to increased spectatorship (http://www.capsbaseball.ca/web/guest/home). Contrary to the Edmonton Capitals, we predict that the Edmonton Energy is trying to promote a high level basketball which might not be the best marketing strategy in Edmonton where professional hockey is a dominant sport (http://www.edmontonnrg.com/). Hence, we suspect that the legitimacy of the Edmonton Energy has been affected to some degree. Using legitimacy to study the strategies of a new sport franchise has been an underdeveloped research area. By performing our study we can discover a possible pattern that can be applicable to other minor sport franchises located in the field where a dominant sport franchise exists. This pattern can be replicated and will provide a variety of legitimation strategies concerning the establishment of a minor league sports team within its environment. Another implication of our research is that sports managers of minor league teams will benefit from the socially accepted legitimation strategies. These processes can improve the organization’s relationship with its audience and therefore can enhance the organization’s success.