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ASSESSMENT OF PRIVATE SECTOR FUNDING FOR PROFESSIONAL FOOTBALL CLUBS PLAYING IN PREMIER LEAGUE IN NORTHERN NIGERIA

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Abstract

This study assessed private sector funding for professional football clubs playing in premier league in Northern Nigeria. To achieve this, questionnaire on private sector funding for professional football clubs was developed, validated and utilized for this study. Kitting of players, building of stadium, travelling, insurance and television rights constituted items in the questionnaire. A major hypothesis sought to find out if there were significant differences in private sector funding among the professional football clubs in Northern Nigeria as viewed by respondents. The questionnaire was administered on 90 respondents from the 6 clubs randomly picked from the 3 geo-political zones in Northern Nigeria (2 clubs from each zone). This gave us 30 respondents from each of the geo-political zones. Mean and Analysis of Variance were applied to describe and test the hypothesis. The result showed that private sector does not give meaningful funding to professional football clubs in Northern Nigeria. It was also found that there was significant difference in private sector funding for professional football clubs in

Northern Nigeria playing in the Premier League. It is therefore recommended that professional football clubs in Northern Nigeria should seek for private sector funding for the activities of their clubs.

Key words: Football, Professional League, Funding, Private sector

Introduction

Professional League Competition featuring football clubs has a long history all over the world. The governing bodies for football in every country operate a league system, normally comprising several divisions in which teams gain points throughout the season depending on result. Nigeria Premier League Report (2008) stated that, National League in Nigeria came into full existence in 1972 with eight clubs. In 1989 the Professional League System was introduced but commenced in 1990. At present the Nigeria Premier League is the highest level of domestic Nigerian football. The League is presently being organized by Nigerian Football League (NFL). NFL major sponsor being Globacom Telecommunication Company.

Funding Professional football clubs requires money. Kuba (2000), stated that sports organizations need funding for their sports programmes, facilities, maintenance, procurement of sports supplies and other technical and administrative costs. Nearly all the Clubs in Nigeria playing in Premier League are funded directly or indirectly by state government or government establishments. For example, Gombe United sponsored by Gombe State, Kano Pillars by Kano State, Niger Tornadoes by Niger State, Enugu Rangers by Enugu State, Jos University Teaching Hospital Club by Management of the Teaching Hospital and host of others (Kuba 2000). The researchers fear that leaving the funding of these professional clubs exclusively in the hands of government and its parastatals might have unappreciable consequences for the clubs performance as the government alone might not be able to meet and provide for the clubs needs in terms of

kitting, travels, insurance, facilities etc.

Brenda (2008) reveals that advertisement and sponsorships have become the backbone of football wealth. According to her, many multinational corporations are now involved in sponsoring football game. The relative wealth and good performance of professional football clubs in European Football League might be attributable to levels of support they enjoy from the numerous corporate and multinational corporations.

The following partnerships are testimonies to the support of private sectors professional clubs across Europe, Chang has been the principal sponsor of Everton (England) since the start of 2004/2005 season. By this arrangement Everton players wear the premium beer's logo across their shirt. According to Everton Chief Executive Robert Elstone, this partnership has helped Everton FC to grow international (<http://www.footballleague.co.uk/footballleagueboard/profiles/20100126/thefootball-league-board>) Retrieved 13th September, 2010.

On the 19th January 2010, Newcastle United Football Club (England) announced a new partnership seeing Puma become the official supplier and official licensee of replica merchandise for Newcastle United (<http://www.footballgroundguide.com/newcastleunited.htm>). Retrieved 2010-04-14. Emirate an Airline company is also sponsoring Arsenal Football Club. Their signed sponsorship arrangement was put at around £100 million. Part of the deal was for Arsenal to wear the logo of Emirate on the shirts. It was also revealed that a major source of revenue for clubs to support their activities is Television. In November 2007, the football league announced a new domestic rights deal worth £264 million with Sky and B B C for three seasons from 2009 - 2012 (www.footballleague.premiumtv.co.uk). Retrieved 2010-04-14.

In Nigeria however, the situation and practices cannot be said to be the same. Nearly all the professional football clubs are owned by the

government. Financing these clubs has been pointed out by Enyadike (2003), to be relatively exclusive responsibility of the various governments that own the clubs. This in itself can pose limitations as government allocations may not meet the major demands of these clubs which may consequently affect the performance of these clubs. Major demands can be salaries, allowances, travels, medicals, apparels etc. The proposition is that, if these clubs were adequately funded by getting private sector support, the demands stated above would have been reasonably satisfied which might result to better performance.

Ikhioye (1993), revealed that because a number of football clubs in Northern Nigeria cannot afford Air-tickets, they travel long hours on the road to honour their away league matches. According to him, by the time they get there, they are too tired to perform. Salaries and other player's entitlements were sometimes not paid on time due partly to delay in release of fund by the government. These and the fact that there is paucity of information in this study area has motivated interest in this research. The following questions and hypothesis were formulated to give direction to this study.

- 1) Does the private sector contribute to the funding of Professional Football Clubs activities in Northern Nigeria?
- 2) There is no significant difference in private sector funding among the Professional Football Clubs in Northern Nigeria as viewed by respondents.

Methodology

In this study, purposive method was used to select only Professional Football Clubs playing in the Premier League in Northern Nigeria. Northern Nigeria was stratified into three geo-political zones namely North West, North East and North Central. From each zone, two (2) professional football clubs were randomly picked using the balloting method. This gave

us six (6) clubs from the total of ten (10) Professional Football Clubs in Northern Nigeria.

Respondents were stratified into Coaches, organising secretaries, team managers, players and members of the Football Associations Boards totalling ninety (90) respondents presented in Table 1. The inclusion criterion for coaches, organising secretaries and members of Football Association Board was based on seniority. Nassarawa United and JUTH FC were randomly picked from North Central, Wikki Tourist and Gombe United from North-East, Kano Pillars and Kaduna United from North West.

Table 1: Distribution of respondents according to status and geo-political zones

North-Central						North-East					North-West				Total
Coach	Org. Sec	Team Manag	Players	Board Members	Coac	Org. Sec	Team Manage	Player	Board Members	Coach	Org. Sec	Team Manag	Playe	Board Members	
2	2	2	20	4	2	2	2	20	4	2	2	2	20	4	90

Data Collection Instrument

Questionnaire on Private sector funding was developed and validated. A reliability co-efficient index of 0.78 was obtained through test-retest. Part 1 of the Questionnaire consisted of demographic characteristics of respondents, and part 2 had statements on private sector funding of club activities. In scoring the responses, each item in the questionnaire that was scored 2.5 points was considered negative and items scored 2.5 and above was considered positive. Average mean score of the five items used to test for private funding was used to determine the direction of opinion of respondents.

Statistical Analysis

Descriptive statistics of mean and standard deviation were used to describe the data and One-way Analysis of Variance (ANOVA) was used to

find out if there was significant difference in private sector funding among the professional clubs in Northern Nigeria.

Results

Table 1: Mean scores of respondents opinion on private sector funding for professional football Clubs

S/N	STATEMENT	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	MEAN	SD
1.	Kits players to Promote performance	5 (5.6)	6 (6.7)	42 (46.7)	37 (41.1)	1.76	.80797
2.	Private sector Contributes to payment of players salaries	0 (0)	5 (5.6)	51 (56.7)	34 (37.8)	1.67	.57724
3.	Professional football club receives contribution from private sector to build stadium	5 (5.6)	12 (13.3)	35 (38.9)	38 (42.2)	1.82	.86865
4.	Professional football club travels are partly sponsored by private organisation	1 (1.1)	1 (1.1)	37 (41.1)	51 (56.7)	1.46	.58444
5.	Club sells broadcasting rights to Television house to improve finances of the club	2 (2.2)	0 (0)	43 (47.8)	45 (50.0)	1.54	.062100
Average Mean:						1.65	

The data on Table 1 revealed an average calculated mean (1.65) which is less than the constant mean (2.5) that was used as base-line for decision making. This translates to private sector not funding professional football clubs in Northern Nigeria. To find out if there was significant difference in private sector funding of professional football clubs in Northern Nigeria, ANOVA was applied, the results of which are presented in Table 2

Table 2: ANOVA Summary of differences in Private Sector funding of professional football clubs

Variables	DF	SS	MS	F	F. critical
Private Sector	Between				
	Group 5	10.456	2.091	8.286	2.37
	Within				
	Group 84	21.200	252		
	Total	90	31.656		

F(5,84) = 8.286 > 2.37 at 0.05

Table 2 shows that there was significant difference in private sector funding of selected professional football clubs in Northern Nigeria as the calculated F- value 8.286 is greater than the critical value of 2.37 at 0.05. This means that the six professional football clubs in Northern Nigeria are not funded the same way by private sector.

Application of pair wise (Scheffee Post hoc) comparison involving the six professional football clubs revealed that Kano Pillars enjoys better private sector support than Kaduna United, Wikki Tourist, Gombe United, JUTH FC and Nassarawa United.

Discussion

The result of this study revealed that the position of respondents on private sector funding on professional football clubs in Northern Nigeria was inadequate as the average mean 1.65 was less than 2.5 which constitutes baseline for decision making. From the data collected, private sector did not contribute adequately to payment of players' salaries, construction of stadia for team and team travels. Professional football clubs do not sell broadcasting rights to Television houses. This is in contrast to practices in Europe. Manchester United Football Club for example has £56.6 million deal with AIG for four years. By this arrangement, Manchester United Players wear AIG logo on their shirts (Man U, 2008). Andrew (2008) also

pointed out that Football League relied on yields from Television rights to support activities.

This can be said to be a rider to the earlier position of Ikhioya (2001) when she pointed out that the money acquired from the sales of media rights by sporting clubs is a source of fund for the clubs. On the 19th January, 2010, Newcastle United Football Club announced a new partnership with Puma to supply the club with kit and training equipment. All of these are examples of how private sector in Europe contributes to fortune and finances of the professional football and other clubs. This undoubtedly has implication for the performance of these clubs. If professional football clubs in Northern Nigeria in particular and Nigeria in general also enter into partnership with private sector, their sporting needs and activities would be better financed and supported.

Another finding of this study was the significant difference that existed between Kano Pillars Football Club and other clubs in private sector support. This is not surprising as Kano Pillars Football club did very well in the 2008, 2009 edition of the Premier Football League in Nigeria — one as the Premier League Champion and as the semifinalist at the CAF Championship in 2009. Although, their exploits in these championships might not be attributed largely to private sector support.

From the findings of this study, it is therefore recommended that professional football clubs in Northern Nigeria playing in the National Premier Football League should seek for private sponsorship to assist in carrying out their activities.

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