

**School of Human Kinetics**  
**Faculty of Health Sciences**  
**University of Ottawa**

*EXECUTIVE MASTERS IN SPORTS ORGANISATION MANAGEMENT*



**MEMOS XXIV**  
**2021-2022**

**FINANCIAL CHALLENGES FACING SPORTS CLUB**  
**A Case Study of Tanzania**

**KASSANO MUSHUMBUSI JONATHAN**

**Tutored by Professor Francesc Solanellas**  
Affiliation of Tutor



## Table of Contents

List of Tables .....	iii
List of Figures .....	iii
DECLARATION .....	iv
DEDICATION .....	v
ACKNOWLEDGEMENT .....	vi
ABSTRACT .....	vii
ABBREVIATIONS .....	viii
CHAPTER ONE .....	1
1.0 INTRODUCTION AND BACKGROUND INFORMATION.....	1
1.1 INTRODUCTION .....	1
1.2 BACKGROUND INFORMATION .....	2
1.2.1 Sports during pre-colonial era.....	2
1.2.2 Sports during colonial era .....	3
1.2.3 Sports during post-independence era .....	3
1.2.4 Formation of Sports Institutions in Tanzania.....	4
1.2.4.1 The Ministry of Culture, Arts and Sports .....	4
1.2.4.2 The National Sports Council (NSC) .....	6
1.2.4.3 The Tanzania Olympic Committee .....	7
1.3 Problem Statement .....	8
1.4 Objectives of the study.....	9
1.4.1 Main objective.....	9
1.4.2 Specific objectives .....	9
1.5 Study Questions .....	9
1.6 Justification .....	9
CHAPTER TWO .....	11
2.0 LITERATURE REVIEW .....	11
2.1 Description of key concepts.....	11
2.1.1 Sport Club .....	11
2.1.2 Sports Management.....	11
2.1.3 Sports Federations in Tanzania .....	12
2.1.4 Sports Clubs in Tanzania .....	13
2.1.5 Sports Club Funding in Tanzania.....	14
2.1.6 Election of Sport Clubs Leaders in Tanzania.....	15
2.1.8 Organization and Management of Various Sports in Tanzania .....	16
2.1.8.1 Traditional Sports.....	17

2.1.8.2 Sports for All.....	17
2.1.8.3 Competitive Sports.....	18
2.1.8.4 Sports for special needs groups.....	18
2.1.8.5 Sports and gymnastics for women .....	18
2.1.8.6 Professional Sports.....	19
2.2 Theoretical Framework .....	19
2.2.1 Students Involvement Theory .....	19
2.2.2 Sport Management Theory.....	20
2.2.3 Social Capital Theory.....	21
2.3 Empirical Review.....	21
2.4 Research Gap .....	23
CHAPTER THREE.....	24
3.0 Research Methodology .....	24
3.1 Research design.....	24
3.2 Data collection methods.....	24
3.3 Area of the Study .....	25
3.4 Sampling .....	25
3.4.1 Sampling Population .....	25
3.4.2 Sampling techniques .....	25
3.5 Data Analysis .....	25
3.6 Scope and Limitations of the Study .....	26
CHAPTER FOUR.....	27
DATA ANALYSIS, INTERPRETATION AND DISCUSSION OF RESEARCH FINDINGS .....	27
4.0 Introduction .....	27
4.1 Social Characteristics of Respondents .....	28
4.1.1 Sex of Respondents .....	28
4.1.2 Age of Respondents .....	29
4.1.3 Level of Education .....	31
4.1.4 Position in Sports Clubs .....	32
4.2 Impacts of Financial Challenges towards Sports Club Operation in Tanzania.....	34
4.3 Main source of funding for sports clubs in Tanzania.....	37
4.3.1 Reason for not having enough financing partner in sport activities in Tanzania.....	39
4.4 Information on the amount of fund received by sports clubs per year .....	41
4.4.1 Percentage of finance of the Planned Budget receives by sport clubs in Tanzania .....	43
4.5 Strategies used by sports clubs to generate extra funds .....	45
CHAPTER FIVE.....	48
CONCLUSION AND RECOMMENDATIONS.....	48

5.0 Introduction .....	48
5.1 Conclusion .....	48
5.2 Recommendations .....	50
References .....	52

## **List of Tables**

Table 1 Sample size used .....	27
Table 2 Sex of Respondents .....	28
Table 3 Age of Respondents .....	29
Table 4 Level of Education .....	31
Table 5 Office Position .....	32
Table 6 Impacts of Financial Challenges towards Sports Club Operation in Tanzania .....	35
Table 7 Main source of funding for sports clubs in Tanzania .....	37
Table 8 Reason for not having enough financing partner in sport activities in Tanzania .....	39
Table 9 Amount of fund received by sports clubs per year .....	41
Table 10 Percentage of finance of the Planned Budget receives by sport clubs .....	44
Table 11 Strategies used by sports clubs to generate extra funds .....	45

## **List of Figures**

Figure 1 Sex of Respondents .....	28
Figure 2 Age of Respondents .....	30
Figure 3 Level of Education .....	32
Figure 4 Office Position .....	34
Figure 5 Impacts of Financial Challenges towards Sports Club Operation in Tanzania .....	37
Figure 6 Main source of funding for sports clubs in Tanzania .....	38
Figure 7 Reason for not having enough financing partner in sport activities in Tanzania .....	40
Figure 8 Amount of fund received by sports clubs per year .....	43
Figure 9 Percentage of finance of the Planned Budget receives by sport clubs .....	44
Figure 10 Strategies used by sports clubs to generate extra funds .....	47

## **DECLARATION**

I, Kassano Mushumbusi Jonathan, hereunder declare that, this project is submitted for the award of the degree of Executive Masters in Sports Organization Management (MEMOS) by the Faculty of Health Sciences, University of Ottawa, Canada, is my own literary work and has not previously been submitted by me for any other degree at this or any other Institution.

Signature: ..... Date: .....

## **DEDICATION**

I wish to dedicate this dissertation to my mother Jane, my lovely wife Hellen, my two childrens Janelle and Jacinta and all who truly value and love sports for their support and encouragement and for being pillars of strength throughout my research period and writing. Without their loving support, it would have been more challenging to accomplish my academic aspirations.

## **ACKNOWLEDGEMENT**

All the effort and time I invested in this project would have been in vain were it not for the gift of good health that the Almighty God gave upon me during the period of compilation this research study.

Much appreciation goes to my research Supervisor, Professor Francesc Solanellas from whom I received valuable guidance, encouragement, contributions and criticism that helped shape the direction of the research. Behind the scene, there are many unforgettable individuals. From the Tanzania football Federation including fellow staff for their numerous contribution that have formed the backbone of this study.

May the Lord reward you abundantly for all your efforts.

Heartfelt appreciations

## **ABSTRACT**

Stable finance is one of the important factors for success of sport clubs in the World. Financial stability has been a big challenge for most of sport clubs in African countries especially Tanzania. In order to have a wide understand on the connection between financial challenges and development of sport clubs in Tanzania, this study assesses financial challenges facing sport clubs in Tanzania and how they affect development of sport clubs in the country. The study is composed of three specific objectives of; identifying the main source of funding for sports clubs in Tanzania, searching information on the amount of fund needed per year by sports clubs to finance their activities and identifying strategies to be used by sports clubs to generate extra funds for their activities in Tanzania. Theories for this study included theory on students' involvement theory, sport management theory and social capital theory. The study employed exploratory design because this topic has not been discussed most in the country. the method of data collection employed in the study included primary and secondary methods of data collection. The results found in this study indicated that 40% of respondent's poor organization of the sports events and operation costs not covered in full were the most likely impacts of financial challenges towards sports club operation in the Tanzania. Also, (33.8%) of respondents revealed that grants and subsidies are the main source of fund for the sport clubs in Tanzania. Moreover, (64.8%) of respondents revealed that few interested partners in sports activities in the country and misuse of funds and breach of sponsorship contracts are top reasons for not having enough financing partners in sports activities in Tanzania.



## ABBREVIATIONS

BMT	-	Baraza la Michezo la Taifa ( <i>National Sports Council</i> )
NSC	-	National Sports Council
TFF	-	Tanzania Football Federation
TOC	-	National Olympic Committee
TPLB	-	Tanzania Premier League Board
URT	-	United Republic of Tanzania
UN	-	United Nations
UNGA	-	United Nations General Assembly
UNESCO	-	United Nations Educational Scientific and Cultural Organization
SPSS	-	Statistical Package for Social Science

## **CHAPTER ONE**

### **1.0 INTRODUCTION AND BACKGROUND INFORMATION**

#### **1.1 INTRODUCTION**

In Tanzania, Sports Clubs are regulated by the National Sports Council that was enacted by the National Sports Council (NSC) Act of 1967 as amended in 1971. The act endorsed the NSC as the public body in charge to regulate all sports activities in the country (National-Sports-Council, 2022).

In recent years, there has been a great deal of enthusiasm of football sport in the country. For instance, based on the statistic from the book of state of the national economy of 2018, in between 2011-2018 a total of 2,311 sports clubs were registered in the country (Ministry-of-Finance-and-Planning, 2018, p. 216). This study has observed that a great deal of enthusiasm for sports in Tanzania has been influenced by various factors including commitment of the government to support sports clubs in the country and increasing number of sponsors to support sports clubs in the country. In addition to that, the United Nations resolutions such as, the UN resolution 67/17 adopted by the UNGA on 28 November 2012, which called for Sports as a means to promote education, health, development and peace has influence the government of Tanzania to use global forum to enhance development of sports activities in the country (UNGA, 2012).

Wicker P, Feiler S & Breuer C (2018), wrote on Sports Finance. According to the authors, although sports clubs play a crucial role to provide leisure, entertainment and social programs, most of them operates into a very challenging environment including financial challenges that constrains operational activities of those sports clubs (Wicker, Feiler, & Breuer, 2018, p. 16). This study has observed that, it's true most of sports clubs in Tanzania operates into a very

challenging environment due to financial constraints that hinders them to manage operation for those clubs especially paying salaries to the players.

## **1.2 BACKGROUND INFORMATION**

### **1.2.1 Sports during pre-colonial era**

The historical background of sports activities in Tanzania predates the coming of foreigners such as the Arabs, Germans and British in the country. During the pre-colonial era, there was a performance of local dances, archery, wrestling and singing games played by children. These sports have been passed from generation to generation through various sports institutions in the country. In addition to that, in Tanzania, sports were used to improve physical fitness of warriors who protected local rulers in the country (Ndee, 2010). Moreover, during the pre-colonial era, people who lived close to lakes or rivers, usually preferred swimming sports, while people who lived to the mountains had good long distance running ability. In Tanzania, styles of dancing differed from places to places, for instance, the Masai tribe had more jumping and fewer hip movements, the dances of the coastal tribes were characterized by wild hip movements (Lange, 2002). Mostly, teaching for different sports during the pre-colonial era were conducted during traditional ceremonial events, especially events to mark a change from childhood to adulthood. On those events, both men and women gender participated to compete on traditional dances known as “ngoma”. A person or group of people who attracted most were announced a winner for those competition. Men competed in different forms of games like tug of war, wrestling, running, javelin and swimming. Good sportsmen obtained prestige among their peers. For a man, it was important to be strong and to train hard, or else it would take him a long time to ‘acquire manhood’. Women had other games, such as running with bottles on their head or skipping rope (Leseth, 2004).

### **1.2.2 Sports during colonial era**

In Tanzania, modern sports were introduced during the colonial era mostly by missionary schools. Modern sports were known as civilizing games, and it was also taken as a pathway to improvement. The missionaries considered many of the traditional games and dances to be pagan, and they claimed that western sports were better morally (Titus, 2000). During the German occupation in East Africa, they used sports in the military training such as military parade to improve physical fitness of military personnel in the army. The British colony also applied the same approach to provide physical education to the military through sports to enhance physical fitness of military personnel to serve the colonial army (Mangan, 1998). This study has observed that, military parade still taking place in the military forces of the country and in schools. For instance, different schools in the country such as Makongo secondary school and Jitegemee secondary school both in Dar es Salaam, take military parade in the morning before going to the class. The purpose for such practice is to strengthen mental and physical fitness of students.

During the colonial era, various sports games were introduced in Tanzania. For instance, netball was introduced in 1940s and 50s. This game was mostly played by women. Compared to basketball, netball required less running and explosive power. The colonizers argued that netball fitted the female shape. Although colonialists attempted to change traditional African games, they left traditional dance such as beni, mganda and dansi. In 1948, there was a change of the colonial policy in which one recognized the importance of 'traditional' dances in preparing Tanzanian for independence. The traditional dance was again invented, serving the purpose of a 'national culture' (Lange, 2002).

### **1.2.3 Sports during post-independence era**

During the post-independence era, sports were used to strengthen national unity in the country. In addition to that, in Tanzania, sports were employed as a strategy to enhance integration of

ethnic groups and as a means of diminishing tribalism (Titus, 2000). In 1962, The Ministry of National Culture and Youth was formed to regulate sports activities in the country. After independence, Tanzania started a national campaign to restore a national identity by suppressing colonial heritage including changing names of colonial owned sports clubs. For instance, the two largest football clubs in the country, Sunderland and Young African Sports Club changed to Simba and Yanga Sports Club. Also, the government changed the idea for traditional dance as a symbol to introduce a certain tribe to the idea of a national identity (Herbert, 1998).

#### **1.2.4 Formation of Sports Institutions in Tanzania**

Soon after independence the government of Tanzania established various sports council to regulate sports activities in the country. The following are the sports institutions found in the country;

##### **1.2.4.1 The Ministry of Culture, Arts and Sports**

The Ministry of Culture, Arts and Sports was established by government proclamation No. 1 of January, 2016. In fulfilling its responsibilities, the Ministry is structurally divided into two main areas which are;

- i. Management and implementation of sectoral issues- This area is implemented by the department of cultural development, the department of Arts development and the department of sports development in collaboration with the institutions under those departments.
- ii. Operation, coordination and management- this area is implemented by the department of policy and planning, department of administration and human resources, finance and accounting unit, internal audit unit, procurement and supply unit, legal services unit and information and communication technology unit as well as government communication unit.

## **RESPONSIBILITIES OF THE MINISTRY**

In order to fulfill its responsibilities, the ministry implements cultural and sports policies as well as its Objectives.

## **CULTURAL DEVELOPMENT POLICY OF 1997**

### **Its objectives:**

- i. Involve national cultural activities from pre-school, secondary and higher education and ensure that cultural education is incorporated into curriculum and summary and taught in schools and colleges.
- ii. Encouraging and promoting nationalism for youth and citizens in general.
- iii. Encouraging dignity in national development.
- iv. Strengthening cost donation, development, care and strengthening of cultural institutions for users of such services.
- v. Educate the community on various issues related to culture and how arts can be used in the fight against AIDS

## **SPORTS DEVELOPMENT POLICY OF 1995**

### **Its objectives are:**

- i. Encourage citizens to participate in sports and exercises to improve their health.
- ii. Ensuring national team and players participate fully in national and international competitions and games.
- iii. Conduct research on traditional games with the aim of reviving and developing them.

- iv. Strengthen cooperation with other nations in the provision of education for sports and athletes.
- v. Supervise the construction of modern infrastructure in the sports sector.
- vi. Strengthen good governance in sports.
- vii. Provide training of sports professionals.
- viii. Fighting the AIDS epidemic in sports.
- ix. Develop and identify young talents in sports from an early age.

#### **1.2.4.2 The National Sports Council (NSC)**

The National Sports Council (NSC) is a Public Entity established by the Parliament of the United Republic of Tanzania under Act No. 12 of 1967 and amended no. 6 of 1971 of the National Sports Council. The National Sports Council has been tasked with overseeing all sports in Tanzania.

#### **RESPONSIBILITIES OF THE NATIONAL SPORTS COUNCIL**

- i. Develop, improve and control all forms of Sports in the country in partnership with sports associations or groups.
- ii. Encourage and provide opportunities for cooperation among various national parties.
- iii. To approve national and international competitions in sports and concerts organized by national and other parties.
- iv. Planning in partnership with local governments for allocating areas for sports.
- v. Encouraging community participation in sports.

- vi. Planning and advising the Ministry responsible for Sports on the country's sports development policy.

#### **1.2.4.3 The Tanzania Olympic Committee**

The National Olympic Committee of Tanzania was created in 1968, the TOC performs her functions based on the constitution and the Olympic Charter and regulates 26 national sports associations which participate in Olympic sports. The national Olympic Committee enables participation of the country in the Olympic Games. The Committee is registered and regulated by the Registrar of Sports Associations and the National Sports Council.

#### **ROLES OF THE TANZANIA OLYMPIC COMMITTEE**

1. To ensure observance of the Olympic Charter in Tanzania.
2. To propagate the fundamental principles of Olympism in Tanzania at the national level within the framework of sports activities and otherwise contribute to the diffusion of Olympism in the teaching programmed of physical education and sports in schools and universities.
3. To seek the creation of institutions devoted to Olympic education, in particular national Olympic academies, Olympic museums and cultural programs related to the Olympic movement.
4. To encourage development of high-performance sports as well as sports for all.
5. To help in training sports administrators by organizing courses and ensure that such courses contribute to the propagation of fundamental principles of Olympism.
6. To commit itself to taking action against any form of discrimination and violence in sports on grounds of race, sex, religion, politics or otherwise.
7. To work to maintain harmonious co-operation between with the appropriate governmental and non-governmental bodies in order to fulfill its role.



### **1.3 Problem Statement**

The efforts made by the government of Tanzania to support sports activities in the country brought a huge enthusiasm for the establishment sports club and other related activities in the country. For instance, in between 2011-2018, a total of 2,311 sports clubs were established, also, a total of 161 sports association were established, moreover, 84 sports centers were established and lastly, a total of 43 sports agents were registered in the country (Ministry-of-Finance-and-Planning, 2018, p. 216). According to John C (2017), among factors that contributes to the growing sports activities in the country includes a change of sports perceptions among people in Tanzania, by perceiving it as a serious business to generate income, effort of the government to support youth sports activities especially at primary school level in the county and the influence from successful athletes including Mbwana Samatta and Hassan Mwakinyo (John, 2017).

Despite of the satisfactory development made by sports clubs in Tanzania, still many sports clubs face financial challenges to conduct their operations. According to Simone L and Zanardi D (2020), financial performance plays a crucial role towards performance of sports clubs in different competitions, whereby, sports clubs that have good financial performance are more likely to have better performance to the competition than sports clubs with poor financial performance (Di-Simone & Zanardi , 2020). Based on this statement, it's clear that financial challenge has a negative impact on the performance of sports clubs in Tanzania. Considering the contribution made by sports clubs in the country to contribute to the youth employment, then this study made an assessment on the financial challenges facing sports clubs and how they affect sports clubs' performance in the country so that to identify measures that can be taken by sports clubs to deal with those challenges.

## **1.4 Objectives of the study**

### **1.4.1 Main objective**

The main objective of this study is to make an assessment on the financial challenges facing sports clubs in Tanzania

### **1.4.2 Specific objectives**

- i. To identify the main source of funding for sports clubs in Tanzania
- ii. To search information on the amount of fund needed per year by sports clubs to finance their activities
- iii. To identify strategies to be used by sports clubs to generate extra funds for their activities in Tanzania

## **1.5 Study Questions**

- i. What are the main sources of funding for sports clubs in Tanzania?
- ii. What is the average amount of fund needed per year by sports clubs to finance their activities?
- iii. How can sports clubs generate extra funding for their activities?

## **1.6 Justification**

In Tanzania, there are no many scholars who dedicate their time to research on sport activities especially sports clubs. This study will come up with results that will benefit different group of people as mentioned below;

To Policy-makers

Policy makers are responsible for the formulation, execution and review specific policies intended to attend to different activities including sport activities in the country. By understanding the financial challenges facing sports clubs in the country, it will help to

encourage policy makers to pay closer attention to those challenges by deploying strategic policies that will support sports clubs to deal with their financial challenges.

#### To Academicians

Students and academicians will be benefited by the study since it will play an imperative cornerstone role for future studies. The study will establish empirically – backed evidence of the financial challenges facing sports clubs in Tanzania.

#### To Investors

The study will play a central role in identifying financial challenges facing sports clubs in the country and strategies to be employed to deal with those challenges. Investors will be presented with carefully articulated points of strategies to deal with financial challenges facing sports clubs in Tanzania so that they can use those challenges to solve financial challenges to maximize profit upon their investment in sports clubs' activities.

## **CHAPTER TWO**

### **2.0 LITERATURE REVIEW**

This chapter dealt with the review of several literature written by other scholars who wrote similar literature to this study. It concerned with definition of key concepts used in the study, theoretical framework of the study, empirical review and research gap of the study.

### **2.1 Description of key concepts**

#### **2.1.1 Sport Club**

This can also be known as sporting club, athletics club, sports society or sports association. It occurs when a group of people organized themselves with intention of playing sports. They range from organizations whose members play together, unpaid, and may play other similar clubs on occasion, watched mostly by family and friends, to large commercial organizations with professional players which have teams which regularly compete against those of other clubs and attract sometimes very large crowds of paying spectators. Clubs may be dedicated to a single sport or to several (multi-sport club) (Phillips & Purcell, 2021).

#### **2.1.2 Sports Management**

It involves a process of combining skills related to planning, organizing, directing, controlling, budgeting, leading, and evaluating for the purpose of effective management of sports activities (Phillip, 2019). In Tanzania sports activities are managed by the Ministry of Culture and Sports. The Ministry is responsible to regulate different procedure such as sports regulation to enhance sports development in the country.

### **2.1.3 Sports Federations in Tanzania**

According to Tanzania's sports development policy of 1995, sports federations in Tanzania are divided into three groups namely;

- i. Consent parties registered with the registrar of sports associations and self-association and the national sports council;
- ii. Sports federations that have been created by various institutions to provide sports entertainment to workers, to connect their players to know each other, Also, to compete in the games involved and get their champions on the national level;
- iii. Professional sports clubs registered with the Ministry of Foreign Affairs.

The general objective of the sport federation is to connect the athletes involved National and oversee the development of sports. Other key functions of sports federation include;

- a) To prepare proper constitution for connecting members which clearly shows purposes of the party concerned, fundamentals of funding, procedures for election of leaders, tasks to be carried out over a period of time,
- b) Organizing competitions to promote sports at home and abroad,
- c) Keep records of the development of its best players;
- d) Obtain equipment to develop sports and build stadiums by collaborating with the National Sports Council and other sports bodies;
- e) Establish a mechanism to supervise the competition to the villages;
- f) Keeping financial records and reporting to the Sports Council annually;
- g) Protect and manage the discipline of various clubs, members and leaders

#### **2.1.4 Sports Clubs in Tanzania**

According to the section 11 of the National Sports Council Act of 1967 as amended in 1971, all sports club in Tanzania will be registered by the registrar of sports or any assistant Registrar located in the district which is the headquarters of the association in the country (URT, 1967). According to BMT (2022), the applicants to register sports club in the country shall present the following;

- i. Summary of the members' meeting reached the decision to form a sport club and passed the constitution,
- ii. Three copies of a sport club constitution,
- iii. Three copies of a sport club financial regulations,
- iv. Three copies of the rules governing the activities of the sport club,
- v. List of names of its membership and membership number to the registrar

In accordance with rule 25 (5) of the regulations of sports association registration of 1999 (BMT, Ada za Usajili BMT , 2022), registration fees and annual fees are as follows;

- a. Annual fee for national associations - 100,000 / =
- b. Annual fee for regional associations - 50,000 / =
- c. Annual fee for district associations - 25,000 / =
- d. Annual fee for sports clubs - 20,000 / =
- e. Annual fee for sports centers - 100,000 / =
- f. Annual fee for sports promoters - 100,000 / =
- g. Fee to register a certificate - 20,000 / =
- h. Application fee inspection of registration - 20,000 / =

- i. Application fee for certificate seal - 20,000 / =
- j. Application fee for Certificate being approved by a registrar- 20,000 / =
- k. Other application fee - 20,000 / =

### **2.1.5 Sports Club Funding in Tanzania**

According to Tanzania's sports development policy of 1995, sports funding in Tanzania relies on cooperation from various bodies, including Central government, Local / City Governments, Public Entities, Companies and even private individuals and sports enthusiasts in their areas (Baraza-la-Michezo-Tanzania, 1995).

Therefore;

- a) Each level of government allocates funds to finance sports various activities annually;
- b) The Ministry responsible for sports co-operates with the Ministry of Industry and Trade to persuade traders to import bulk sports equipment. In addition, Government ensures that sports equipment is manufactured locally;
- c) The government ensures that sports equipment as well as raw materials for the manufacture of such equipment are taxed cheap;
- d) Sports equipment provided as a gift to athletes are not be taxed;
- e) The maintenance costs of stadiums are derived from the revenue generated by the use of such stadiums. Special funds such as revolving fund have been established;
- f) Funding to finance the preparation of various sports clubs:
  - i) It will be the responsibility of the government and the sport's governing bodies to encourage citizens to donate money to fund and organize sports clubs who will participate in various comp
  - ii) The cost of preparing national team will be determined by the responsible agencies for

sports. In addition, the bodies have put in place procedures to involve the industry various to contribute to those costs;

iii) National Sports Council ensures that the percentage of revenue for entrance fee in stadiums is used in financing preparation of national team and contributing to the overall development of various sports in the country.

g) Expert's training is funded by the relevant Ministries, Departments and responsible Institutions in the country.

In addition to that, sports clubs in the country especially football clubs rely much on ticket sales during matches to get funds.

S/No.	Season	Spectators	Amount (TZS)
1	2013/2014	725,780	3,983,495,000.00
2	2014/2015	519,195	2,899,829,000.00
3	2015/2016	553,496	3,098,699,000.00
4	2016/2017	555,261	3,101,848,000.00
5	2017/2018	522,862	2,661,887,500.00
6	2018/2019	571,668	2,951,287,200.00
7	2019/2022	480,022	2,896,839,400.00
		3,928,284	21,593,885,400.00

**Figure 1. Ticket sales for seasons 2013/14 – 2019/20**

### **2.1.6 Election of Sport Clubs Leaders in Tanzania**

According to Tanzania's sports development policy of 1995, normally, all sports bodies are controlled and governed by existing laws and constitutions. National Sports Council in



collaboration with federations and sports clubs forms good directive that keeps strict rules on financial management, asset management of federations, club and others bodies related to sports. Ministries responsible for sports and the National Sports through Sports federations, ensure that people who to be given the mandate for sports leadership are people with acceptable qualifications. Therefore, the sports leaders are required to have the following qualifications: -

- i) Have the expertise on the game he wants to lead;
- ii) Have experience in leadership as well as sports management disciplines;
- iii) Have an acceptable discipline;
- iv) Must be a citizen of Tanzania;
- v) Be patriotic and sports-minded;
- vi) Be honest, fair and truthful.

#### **2.1.8 Organization and Management of Various Sports in Tanzania**

According to Tanzania's sports development policy of 1995, the following areas and categories will be considered in the process and operation of sports:

- i) Traditional Sports
- ii) Sports for All
- iii) Competitive Sports
- iv) Sports for special needs groups;
- v) Sports and gymnastics for women;
- vi) Professional sports;

#### **2.1.8.1 Traditional Sports**

This is necessary to continue to show and manifest to our future generations and to visitors that Tanzanian's indigenous culture included sports. Various efforts have been made by the government of Tanzania to protect traditional sports in the country. The following are the efforts made by the government of Tanzania to protect existence of traditional sports in the country;

- a) Conducting more research into its types, rules and regulations;
- b) Providing more education on rural and urban areas especially school-based;
- c) To prepare more experts to run it at all levels, as well as equipped equipment and stadiums
- d) Organizing competitions from the village level to the National level to get their champions

#### **2.1.8.2 Sports for All**

According to the International Guidelines for Sports Education adopted by the United Nations Educational, Scientific and Cultural Organization (UNESCO), 1978, since the goal of sports is to build a healthy, motivated person active who are physically and mentally healthy, then it is important for the whole of Tanzania to participate in sports and physical exercises. In 1978, the first President of Tanzania, the late Mwalimu Nyerere said that "Physical exercise is as important as breathing" (Baraza-la-Michezo-Tanzania, 1995). In order to achieve the goal of spreading sports to all the government of Tanzania has done the following;

- a) Government through various media such as radio, television and newspapers fully educate the entire Tanzanian public about the importance and benefits of participating in sports and gymnastics for their benefit;
- b) Urban and Rural art groups are used to encourage citizens to participate in sports;
- c) Various imported sports equipment for the purpose of sports are taxed cheaply;

d) The Ministry responsible for Sports; advises, encourages and oversees the running of traditional sports as a catalyst for participation in sports for all;

#### **2.1.8.3 Competitive Sports**

According to Tanzania's sports development policy of 1995, these are sports for individual player that are played anywhere in the world either friendly or competitively, governed by international law. To be able to win a race of this type, the skills and abilities of the highest level for each player are required. So, the athletes who are selected to represent the Nation in International competitions needs to reach National and International standards to qualify for such games.

#### **2.1.8.4 Sports for special needs groups**

According to Tanzania's sports development policy of 1995, the benefits of sports are also important for people with special needs for including people with physical disabilities, the blind, the deaf, people with mental disorder and other kind of disability. The objective of this policy is to insist the community and responsible entities to supervise sports activities in the country to strengthen sports services for people with special needs by: -

- a) Providing sports facilities and stadiums;
- b) Provide training for sports professionals for the disabled and people with mental disorders;
- c) Organize special competitions and enable them to participate in national and international competition;
- d) Amend the rules and regulations governing sports for people with special needs.

#### **2.1.8.5 Sports and gymnastics for women**

According to Tanzania's sports development policy of 1995, Due to the old traditions that oppress women, Tanzania women were not actively involved in sports and physical exercises.

Even those who were fortunate enough to play in their youth before getting married, find themselves forced to withdraw from sports once they are married. Significant effect of this behavior is that, it has been detrimental to the health of the women themselves and reduced their chances to encourage children to love sports at an early age.

Responsible ministries in the country make a concerted effort to motivate women to participate in sports and physical exercises to build their health and empower them to raise their children to participate in sports activities. The efforts being done includes;

- a) Organize and conduct community awareness campaigns on the importance of women's participation in sports and physical training;
- b) Establish sports associations and gymnastics for women;
- c) Giving deliberate preference for women to hold leadership positions in sports
- d) Educate the community on the impact of certain traditions and customs on participation in women in sports and physical training for their development.

#### **2.1.8.6 Professional Sports**

According to Tanzania's sports development policy of 1995, these are sports in which a player plays for a payment under a special contract which is acceptable between the owner and the player. As a result of the progress that Tanzania has made in various sports especially football and to lay solid foundations in development of players' talents and interests this policy allows professional sports.

### **2.2 Theoretical Framework**

#### **2.2.1 Students Involvement Theory**

Stelzer B, (2012) claimed that student's involvement in sports especially at the higher education level plays a crucial role towards development of sports activities. According to the

author, involvement is referring to a resource and energy that a student spends their time in sports activities. The level of involvement and attention of students in sports activities determine the level of performance effectiveness of those students into different sports. The author further argued that the policies and procedures of higher learning institutions towards sports activities also influences the level of performance of students on sports activities (Stelzer, 2012, p. 7). In relation to this study, this study has observed that if students' involvement in sports is encouraged it will help to increase enthusiasms of sports activities in the country. By doing so, it will help to produce competitive athletes to join different sports clubs in the country. Competitive athletes will help to overcome financial challenges in sports clubs because they will raise sports clubs' funds by winning trophies of income earned on transfer market for those athletes.

### **2.2.2 Sport Management Theory**

According to Nagel M & Southall R (2015), this theory is concerned with combination of different skills such as planning, organizing, directing, controlling budgeting, leading and evaluating to perform management of sports clubs. According to the authors, sports managers need all the mentioned management skills, experience and wide understanding of both the sport system and the value of sport into a society (Nagel & Southall, 2015). In relation to this study, the study has observed that financial challenges facing sports clubs in the country can only be countered if the managers in sports clubs does not only posses' management skills, but also, they should have experience on sports activities and wide understanding of both the sport system and the value of sport into the society. Sports managers should be passionate of sports activities so that they can feel anger to see their sports clubs fall due to different challenges including financial challenges. Passionate managers will increase innovation to create different solution to challenges facing their sports clubs to make sure that they never fall.

### **2.2.3 Social Capital Theory**

According to Machalek & Martin (2015), social capital theory claimed that relationship with the community are resources that can lead to the development of sports clubs due to accumulation of human capital (Machalek & Martin, 2015). According to Putman, (2000), social capital can be divided into three forms known as 1. bounding which refers to relationship with homogeneous groups like sport teams or clubs, 2. bridging, referring to relations across horizontal social divisions, such as across teams within a league; and 3. linking, referring to ties between different strata of society, for example citizens from all social classes who are fans of their sports clubs (Putman, 2000). This study has observed that, there is a great need for sports clubs in Tanzania to improve relationship with the community to get social capital to support dealing with financial challenges to sports clubs because good relationship with the community can lead to increase fan base of sports clubs who can contribute to increase sports clubs' revenue through annual contribution or entrance fee to support their sport clubs.

### **2.3 Empirical Review**

Barget E & Rela S, (2017), discussed on The Analysis of Amateur Sports Clubs Funding: A European Perspective. According to the authors, among the factors that contributes to the influence of raise of fund for sport clubs includes sporting level of the club, the size of the budget, the organization of sporting events and e location of the club. For instance, if sports clubs are established into a location with great population such as major cities in the country, they have bigger chance to collect more fund due to getting more supporters from a population (Barget & Rela, 2017). This study has observed that explanation been given by the authors does not reflect the actual situation in Tanzania because there are sports clubs in the country such as African Lyon Football Club been established into Dar es Salaam where there is a great potential to get many supporters but still fail to prosper due to the dominance of major football

clubs in the country of Simba and Yanga. Hence, this study identified alternative measures to help solving financial challenges facing sports clubs in the country.

Fawver B & Spengler J, (2015), wrote on Funding for youth sport: Learning from the past and aligning resources for the future. According to the authors, domestic sports activities including non-profit sports leagues are often underfunded and understaffed, which often shifts the financial responsibility onto parents or voluntary citizens (Fawver & Spengler, 2015). This study strongly agrees with the mentioned argument from authors because those points strongly reflect a situation in the country. The government of Tanzania provides a very minor support to non-profit sports activities in the country. This study believes that by not supporting non-profit sports league that includes most of youth in the country, the government of Tanzania is making a huge mistake because that influences financial challenge to senior sports clubs in the country. A shortage of youth talents in the country which the governments fail to oversee from junior sports activities, forces senior sports clubs to deploy talents outside the country who requires lots of payment to play compared to domestic athletes. Hence, this study believes that supporting junior sports clubs in the country will help to produce more talents to play in junior sports clubs with lower wage to reduce a burden of financial expenditure to pay wages to the athletes.

Dugalić S & Krsteska A, (2013), discussed on Challenges of Sports Facilities and Projects Management in the XXI Century. According to the authors, there is a great change on the character of sports activity and sports industry in the 21<sup>st</sup> Century than before. In 21<sup>st</sup> Century, management of sports activities demands a significantly higher degree of scientific and professional information, hence deployment of competent sports managers who acquired necessary knowledge in accredited higher education institutions and faculties, and who possess required experience (Dugalić & Krsteska, 2013). This study strongly agrees with the points being discussed by the authors because it's obvious that things have changed in the 21<sup>st</sup>

Century. The way sports clubs were managed during the 20<sup>th</sup> Century cannot be applied in the 21<sup>st</sup> Century. Hence, this study picked a sample for fewer sports business executive from different sports clubs in the country to make an assessment of how their skills has been helpful to deal with financial challenges for their clubs.

Blanco D, (2017), discussed on Sports Governance: Issues, Challenges and Perspectives. According to the author, there is a concept in the world of sports that politics and sports do not mix. The author further argued that, In the national level, some national sports leaders and head of sports governing bodies quarreling or wrestling with the leadership are headlining the news in their quest for political power and authority. Sometimes, this results to political stalemates and deadlocks that results to sanctions and penalties, withdrawal of recognition accreditation, suspension, and, worst, preventive or lifetime bans from participating in sports events or tournaments (Blanco, 2017, p. 106). This study has observed that, mixing sports and politics is a common practice to in the country whereby politicians try to influence actions in sports activities to serve their political interests. The study has examined how mixing up politics with sports activities influences financial challenge to sports clubs in the country.

## **2.4 Research Gap**

From the above literature review, this study has observed that there are very few scholarly writings that directly address financial challenges facing sports clubs in Tanzania. This is a kind of gap that needs seriously attention to be addressed because it is essential for development of sports activities in the country. Hence, this study has given much attention on the financial challenges facing sports clubs in the country so that to develop strategies to deal with those challenges to enhance development of sports activities in the country.



## **CHAPTER THREE**

### **3.0 Research Methodology**

In this chapter, the study described the methods that have been employed in the study. it has involved research design, data collection method, area of the study, sampling of the study including sampling population and sampling technique. In addition to that, the study described method of data analysis of the study as well as scope and limitation of the study.

### **3.1 Research design**

This study employed an exploratory or formulative research design to conduct the investigation for the study.

Exploratory or formulative research design is the type of research design that intends to achieve new insight into a certain problem. This is applied when there are few or no earlier research/studies to which references can be found for information. Exploratory studies are usually more appropriate in case of problems about which little research knowledge is available (Islamia, p. 73). This study opts for exploratory design because in Tanzania, there are few researches that have been conducted to identify challenges that sports clubs may face; hence this study intends to identify those challenges and find a suitable solution for sustainable development of sports activities in the country.

### **3.2 Data collection methods**

This study will focus on the use of primary and secondary sources to get information to complete the project.

The primary data of this study will be collected by running interviews and a questionnaire. The study will identify the samples from a population of experts from different sports clubs in the country to obtain necessary information to attain the goals of the study.

Secondary data for this study were collected from different reports, books, journal articles, magazines and internet materials that provided the study with relevant information to the topic of the study.

### **3.3 Area of the Study**

This study was conducted in Tanzania. The area of the study was selected because it is much easier to obtain necessary information for the study from various sports clubs found in the country.

### **3.4 Sampling**

#### **3.4.1 Sampling Population**

The population to be studied comprised of 92 sports stakeholders in 20 regions of Tanzania mainland and Zanzibar. The sample consisted of key players from sports club members, fans and other stockholders from the five selected sports. Selected sports are Football, Netball, Rugby, Boxing and Marathon associations operating in Tanzania. The selected regional for the survey are 20 most participating regions in club Dar es Salaam, Pwani, Tanga, Kilimanjaro, Mtwara, Arusha, Dodoma, Morogoro, Mbeya, Iringa, Ruvuma, Rukwa, Tabora, Shinyanga, Mwanza, Kagera, Kigoma, Kasikazini Unguja, Kusini Unguja and Pemba.

#### **3.4.2 Sampling techniques**

The study used a simple random sampling technique. Simple random sampling by providing an equal chance of selecting participants from the members, leaders, and other stakeholders in 5 main sports in Tanzania in 20 active regions across the country. This technique will enable the study to explore appropriate data from the respondents to meet the goals of the study.

### **3.5 Data Analysis**

This is the process of transforming collected data into useful information for the study. It involves extraction of the useful information from collected primary data to make an effective

decision for the study (Johnson , 2021). Data analysis is divided into two forms that is a text format and actual based (Linda, 2017). This study will use a text format where the study will provide information in explanation (qualitative).

### **3.6 Scope and Limitations of the Study**

This study covered sports clubs found in Tanzania and it made an assessment of the financial challenges facing sports clubs in the country. The main focus was on making an assessment of the financial challenges facing sports clubs in the country.

Also, this study focused on reading various reports, books, journals and articles so that to have a wider knowledge on the financial challenges facing sports clubs in the country.

Limitations for this study included difficulty to obtain information from sports clubs because they did not want to share the information needed due to office privacy. Also, time and budget constrained accomplishment of this study in most effective way.

## CHAPTER FOUR

### DATA ANALYSIS, INTERPRETATION AND DISCUSSION OF RESEARCH FINDINGS

#### 4.0 Introduction

This chapter includes presentation of the study findings where data was collected from the field through interview and questionnaire method, and analyzed through SPSS and presented in tables and figures. Also, interpretation of data will be conducted through the method identified in the chapter three of the study. Lastly. Discussion of findings of the study includes data collected from various sports club in the country to identify the financial challenges facing sports clubs in Tanzania.

The sample size used is as follows

The study expected to use a total of 74 respondents in sports clubs in the country. unfortunately, two of the respondents were missing to participate into the study.

**Table 1 Sample size used**

Category of Respondent	Expected Sample	Available Sample
Senior Management Level	25	25
Management Level	25	25
Club Owner or Shareholder	9	9
Junior Employees	7	7
Temporary or Volunteers	8	8
Total	74	74

## 4.1 Social Characteristics of Respondents

### 4.1.1 Sex of Respondents

Both male and female gender participants was involved in the study. It was crucial to involve both male and gender female in the study because sports activities are for all genders.

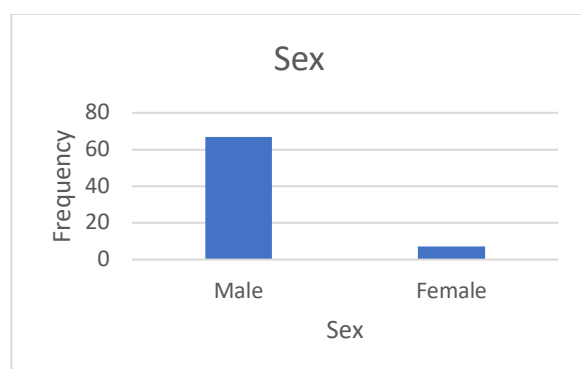
**Table 2 Sex of Respondents**

Sex of Respondents	Frequency	Percent
Male	67	90.5
Female	7	9.5
Total	74	100.0

### Source Study Findings, (2022)

From the above table 90.5% of respondents were male gender while 9.5% of respondents were female gender. This simply means that male gender is a dominant gender in management of sports club activities in Tanzania. Being a fact, sports activities are for all gender then this has to be addressed by Tanzania to ensure gender equality in management of sports club activities fir sustainable development of sport clubs in the country for both genders.

**Figure 1 Sex of Respondents**



**Source: Study Findings, (2022)**

#### 4.1.2 Age of Respondents

Age group of respondents was one among important criterion that was considered during collection of secondary data for this study. The study categorized age group into different criterion so that to identify group of age that is more active on the management of sports club activities in Tanzania.

**Table 3 Age of Respondents**

<b>Age of Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
18-24 yrs.	1	1.4%
25-34 yrs.	30	40.5%
35-44 yrs.	31	41.9%
45-54 yrs.	9	12.2%
55 yrs. & above	3	4.1%
Total	74	100%

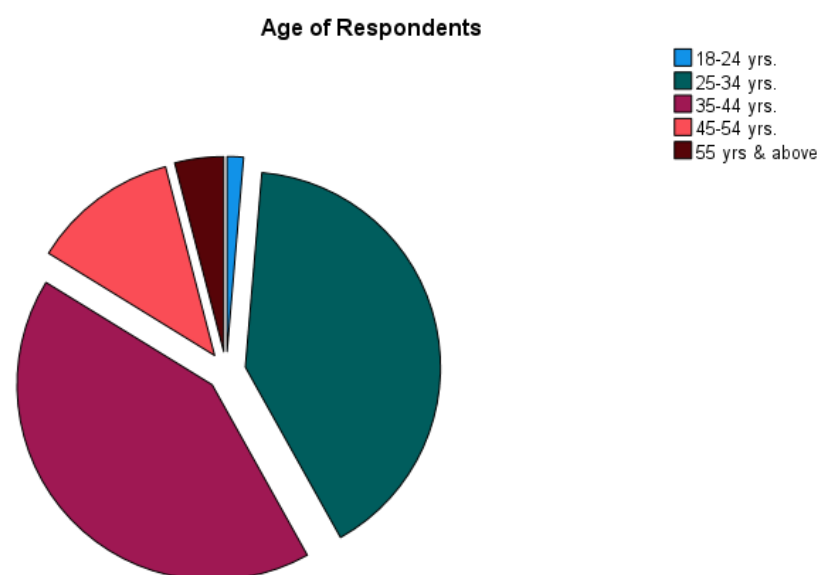
**Source: Study Findings, (2022)**

From the above table, the following is a distribution of age group of respondents;

- **18-24 yrs.:** 1 respondent out of 74 respondents (1.4%) was aged between 15 – 24 yrs.
- **25 – 34 yrs.:** 30 respondents out of 74 respondents (40.5%) were aged between 25 – 34 yrs.
- **35 – 44 yrs.:** 31 respondents out of 74 respondents (41.9%) were aged between 35 – 44 yrs.
- **45 – 54 yrs.:** 9 respondents out of 74 respondents (12.2%) were aged between 45 – 54 yrs.
- **55 yrs. & above:** 3 respondents out of 74 respondents (4.1%) were aged 55 yrs. & above.

This shown that 35 – 44 yrs. Are more active to influence operations of the management of sports club activities in Tanzania. This study has observed that sports club in the country has a huge potential to prosper by addressing challenges in the country because it is dominated by group of youth participants with enough energy to make revolution for sport club management in Tanzania. Another group with high rate of respondents was the group of age between 25 – 34 yrs., the reason for high response in this group is the same as the first group. Another group was the group of 45 – 54 yrs., that had 12.2%, followed with the group of 55 yrs. And above that contained 4.1% of respondents. The group that had fewer respondents was the group of age between 18-24 yrs. This group had only one 1 respondent (1.4%) due to the fact that most of people in the group are either still at school or struggling to get employment after graduating from colleges or universities.

**Figure 2 Age of Respondents**



**Source: Study Findings, (2022)**

### 4.1.3 Level of Education

It was important to consider level of education of participants of the study so that to be able to understand the education level of participants and people in Tanzania who play a crucial role on the management of sports club activities in the country. the researcher categorized level of education of respondents into five different criterions known as none, primary, secondary, college/University and adult education.

**Table 4 Level of Education**

<b>Level of Education</b>	<b>Frequency</b>	<b>Percent</b>
None	1	1.4%
Primary	1	1.4%
Secondary	8	10.8%
College/University	64	86.5%
Total	74	100.0%

**Source: Study Findings, (2022)**

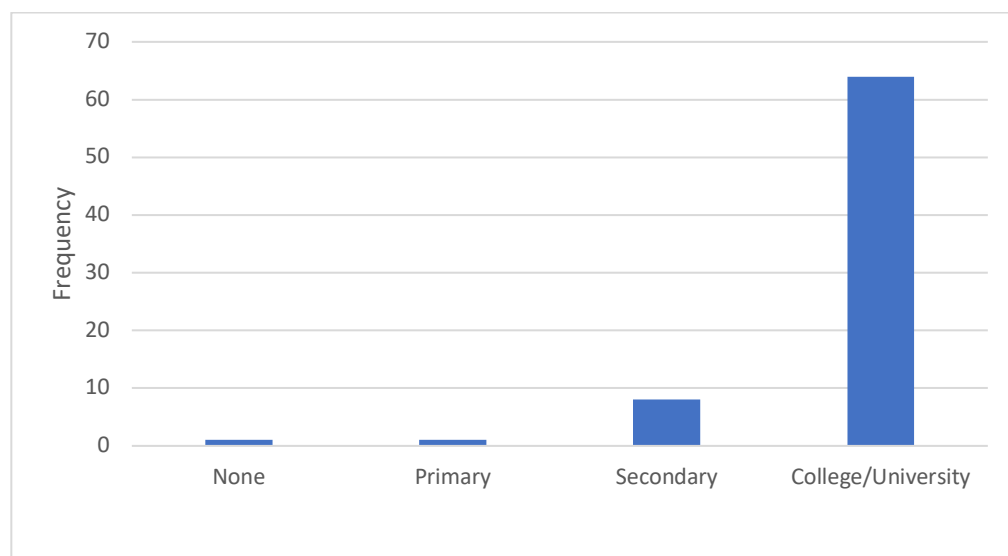
- **None:** Out of 74 respondents, only 1 respondent (1.4%) had no education at all.
- **Primary Education:** Out of 74 respondents, only 1 respondent (1.4%) had primary education.
- **Secondary Education:** Out of 74 respondents, 8 participant (10.8%) had secondary education.
- **College/University:** out of 74 respondents, 64 participants (86.5%) had college or university education

Therefore, the data collected revealed that most of participants of the study obtained university/college education (86.5%) hence to make a bigger chance to use their education initiate strategies that would help to address financial challenges facing sports club in Tanzania.



Other group of people including those with secondary, primary and no education at all, were working under the supervision of the dominant group in this category to support them through various tasks as being instructed by them.

**Figure 3 Level of Education**



**Source: Study Findings, (2022)**

#### **4.1.4 Position in Sports Clubs**

This study also considered intervention of different office positions of respondents of the study so that to obtain different information that are required by the study from top to lower management level of sports club in Tanzania.

**Table 5 Office Position**

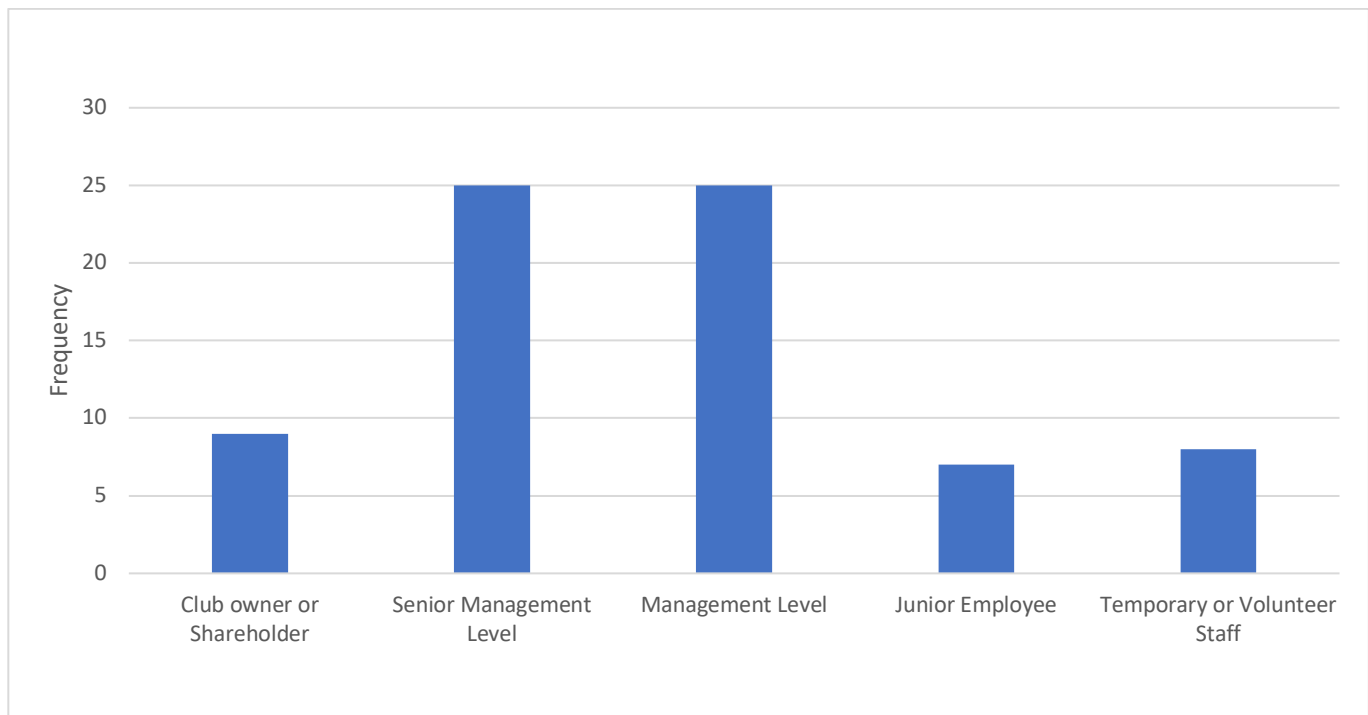
Office Position	Frequency	Percent
Club owner or Shareholder	9	12.2%
Senior Management Level	25	33.8%
Management Level	25	33.8%
Junior Employee	7	9.5%
Temporary or Volunteer Staff	8	10.8%
Total	74	100.0%

**Source: Study Findings, (2022)**

- **Club Owner or Shareholder:** 9 out of 74 participants (12.2%) were club owners and shareholders
- **Senior Management Level:** 25 out of 74 (33.8%) of respondents were senior management level employees
- **Management Level:** 25 out of 74 (33.8%) of respondents were management level employees
- **Junior Employee:** 7 out of 74 (9.5%) of respondents were junior employees
- **Temporary or Volunteer Staff:** 8 out of 74 (10.8%) of respondents were temporary or volunteer staff

Based on the collected data, senior management level and management level employees contain high rate 25 out of 74 (33.8%) of employees working in sports club in Tanzania. The study has observed that, the rate is higher because most of sports club in Tanzania are small so cannot afford to employ bigger number of employees to perform different tasks in the office, hence only employ a small number of employees to supervise administration activities of the clubs. Also, 9 out of 74 participants (12.2%) were club owners and shareholders who supports administration activities mostly finance of the study. there was a potential to engage with more respondents in this group but it was too hard to get them because they were too busy are rarely available at sports club offices. In addition to that, 7 out of 74 (9.5%) of respondents were junior employees who were employed to perform auxiliary tasks to support senior managers and managers at the office. Lastly, 8 out of 74 (10.8%) of respondents were temporary or volunteer staff who were either working in sports clubs either to get work experience or attending practical training from their universities.

**Figure 4 Office Position**



**Source: Study Findings, (2022)**

#### **4.2 Impacts of Financial Challenges towards Sports Club Operation in Tanzania**

The study identified impacts of financial challenges towards sports club operation in Tanzania by grading them based on the frequency they were being mentioned by the respondents. The grading was based on (1- Absolutely Not, 2-Small Degree, 3-Modest Degree, 4-Large Degree, 5- Very Large Degree), depending on the number of respondents to each challenge.

**Table 6 Impacts of Financial Challenges towards Sports Club Operation in Tanzania**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Low wages and income to athletes	13	17.6
Poor Organization of the Sports events	20	27.0
Operation costs not covered in full	20	27.0
Less employments level in Sports	18	24.3
Sports club not achieving their Planned Targets	3	4.1
Total	74	100.0

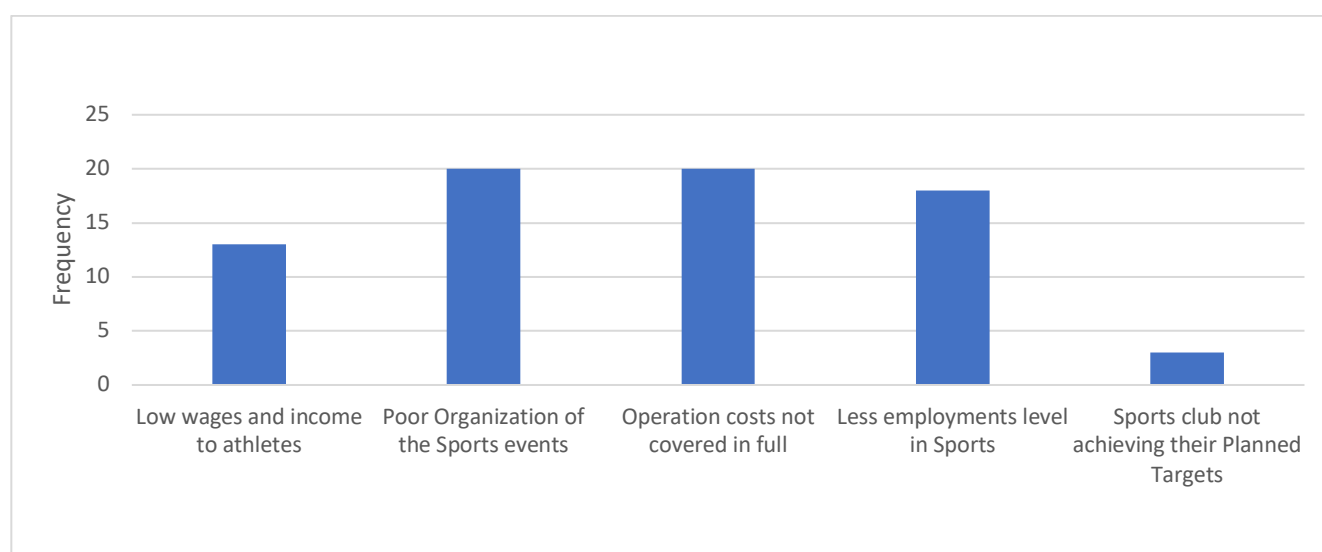
**Source: Study Findings, (2022)**

- **5- Very Large Degree** – 40 out of 74 respondents (54.0%) responded that poor organization of the sports events and operation costs not covered in full were the most likely impacts of financial challenges towards sports club operation in the Tanzania. On the interview with the respondents, the study found out that most of the respondents argued that the mentioned challenges have greater impacts on the performance of sport clubs in the country due to various reasons. For instance, one of the respondents said that “the mentioned challenges causing clubs not to meet their operations and mostly run to debts and financial crisis”. Moreover, another respondent said that “without players and management being financially facilitated automatically it demote their morale and key results areas that truly touches the team's performance”.
- **4-Large Degree** – 18 out of 74 respondents (24.3%) responded that less employment level in sport clubs was the likely impact of financial challenges towards sports club operation in Tanzania. On the interview with the respondents, one of the respondents

said that, “clubs are facing challenges like low budget in transfer window, no transport and wages to the players which lead players to underperform”.

- **3-Modest Degree** – 13 out of 74 respondents (17.6%) responded that low wages and income to athletes was the likely impact of financial challenges towards sports club operation in Tanzania. On the interview with the respondents, one of the respondents said that, “many club fail to register quality player for the competition instead they register normal or just player which led to low performance or unexpected results”.
- **2-Small Degree** – 3 out of 74 respondents (4.1%) responded that sports club not achieving their planned targets was the likely impact of financial challenges towards sports club operation in Tanzania. On the interview with the respondents, one of the respondents said that, “financial challenges facing sports clubs in Tanzania affect performance of clubs just because running a club needs a lot of capital. Failure of having enough capital results in poor registration of good players, poor preparation, lack of transport etc. The results of poor performance which is caused by the scarcity of finance makes the poor value of the games hence the supporters feel not to attend the poor matches. Also, if the supporters don't attend the matches clubs continue losing income’.

**Figure 5 Impacts of Financial Challenges towards Sports Club Operation in Tanzania**



**Source: Study Findings, (2022)**

#### **4.3 Main source of funding for sports clubs in Tanzania**

This study was also interested to identify main source of funding for sports clubs in Tanzania so that to identify sources that sport clubs in Tanzania relies on to get fund to conduct their operations.

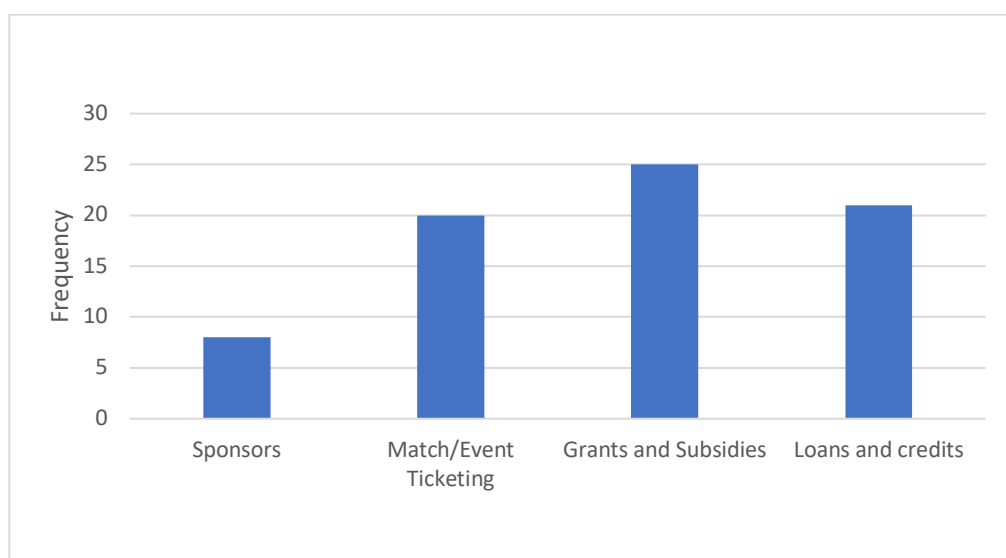
**Table 7 Main source of funding for sports clubs in Tanzania**

Response	Frequency	Percent
Sponsors	8	10.8
Match/Event Ticketing	20	27.0
Grants and Subsidies	25	33.8
Loans and credits	21	28.4
Total	74	100.0

**Source: Study Findings, (2022)**

- **Grants and subsidies** – 25 out of 74 respondents (33.8%) revealed that grants and subsidies are the main source of fund for the sport clubs in Tanzania.
- **Loans and credits** - 21 out of 74 respondents (28.4%) answered that match/event ticketing are the main source of fund for the sports clubs in Tanzania.
- **Match/event ticketing** – 20 out of 74 respondents (27.0%) responded that match/event ticketing are the main source of fund for the sports clubs in Tanzania.
- **Sponsors** – 8 out of 74 respondents (10.8%) revealed that most of fund in their clubs were given by various sponsors inside and outside the country.

**Figure 6 Main source of funding for sports clubs in Tanzania**



**Source: Study Findings, (2022)**

#### **4.3.1 Reason for not having enough financing partner in sport activities in Tanzania**

Apart from identifying main source of fund for sport clubs in Tanzania, this study also discussed with the respondents on the reasons for not having enough financing partners in sport activities in the country, whereby the results were revealed as following;

**Table 8 Reason for not having enough financing partner in sport activities in Tanzania**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Lack of good governance in sport club	9	12.2
Poor approach of the sponsors	17	23.0
Few interested Partners in Sports activities in the country	24	32.4
Misuse of funds and breach of sponsorship contracts	24	32.4
Total	74	100.0

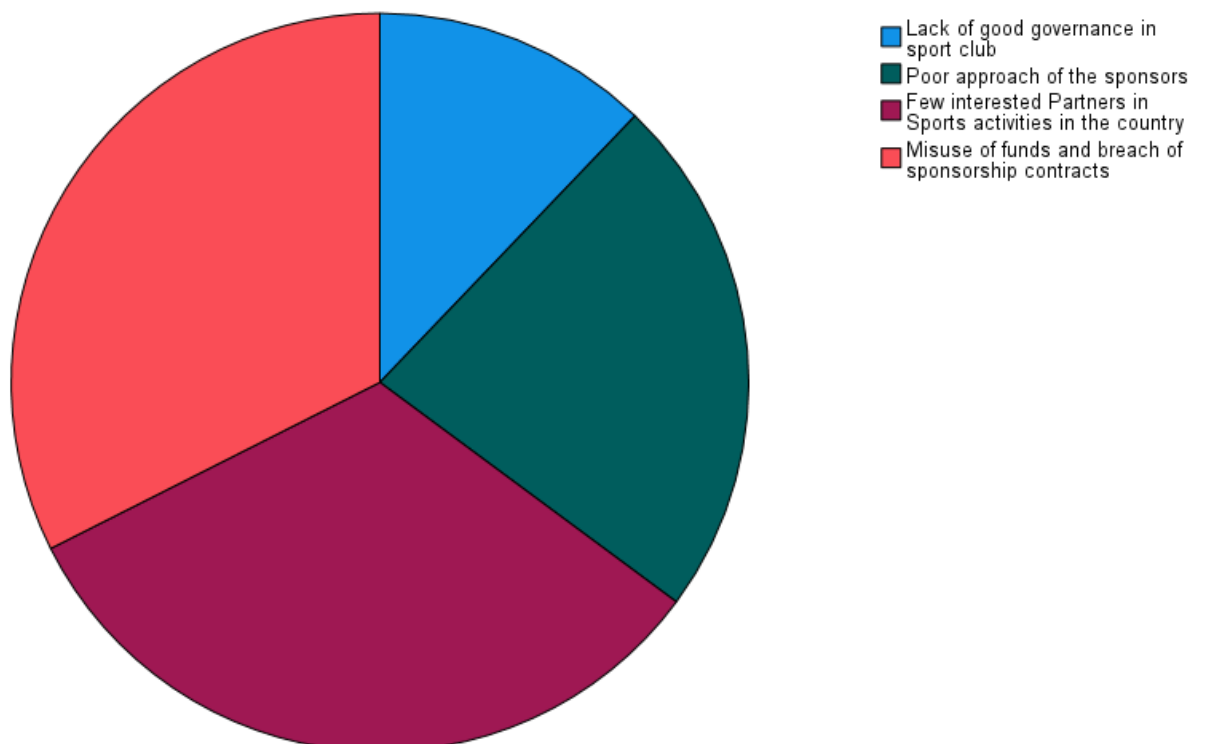
**Source: Study Findings, (2022)**

From the above findings, the study revealed that; few interested partners in sports activities in the country and misuse of funds and breach of sponsorship contracts contained 48 out of 74 respondents (64.8%) are top reasons for not having enough financing partners in sports activities in Tanzania. On the interview, one of the respondent said that “partners are becoming not interested to invest in sports activities in the country because they are not willing to take a risk to earn loss for their investment due to the fact that, sports activities are not among business that can guarantee return on investment in the country, in addition to that, the respondent added that, misuse of fund especially through corruption and breaching of sponsorship contracts have made financing partner to become un interested to finance sports activities in the country because they find it difficult to put their fund into the funds of people that cannot be trusted”. Moreover, the study revealed that, 17 out of 74 respondents (17%) responded that, another



reason for not having financing partner in sports clubs in Tanzania is due to the poor approach of financing partners who only cares to make profit out of their investments rather than putting a long-term investment for sustainable development of sport clubs in the country. Furthermore, on the interview, one of the respondents said that, "other financing partners seek to use sport clubs in Tanzania as a means to promote their business to the public especially by putting their trade brands to the uniform of those sports clubs, hence to cause contradiction with the management of sports club who denied such approaches". Lastly, 9 out of 74 respondents (12.2%) revealed that lack of good governance in sport clubs in the county is another reason for not having financing partners. On the interview, one of the respondents said that, although sports clubs employ staff with enough education, mostly from universities and colleges, those employees either lacks a passion for sports activities or earn that employment out of their profession, hence to make it difficult to be creative to attract financing partners to finance required activities in sport clubs.

**Figure 7 Reason for not having enough financing partner in sport activities in Tanzania**



**Source: Study Findings, (2022)**

#### **4.4 Information on the amount of fund received by sports clubs per year**

This study also dealt with information on the percentage of amount of fund received by sports clubs per year to finance their operations. The results were as following.

**Table 9 Amount of fund received by sports clubs per year**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Below 99 Mil Tshs	1	1.4
100 Mil – 299 Mil Tshs	6	8.1
300 Mil – 499 Mil Tshs	14	18.9
500 Mil – 999 Mil Tshs	24	32.4
I Bil Tshs and Above	29	39.2
Total	74	100.0

**Source: Study Findings, (2022)**

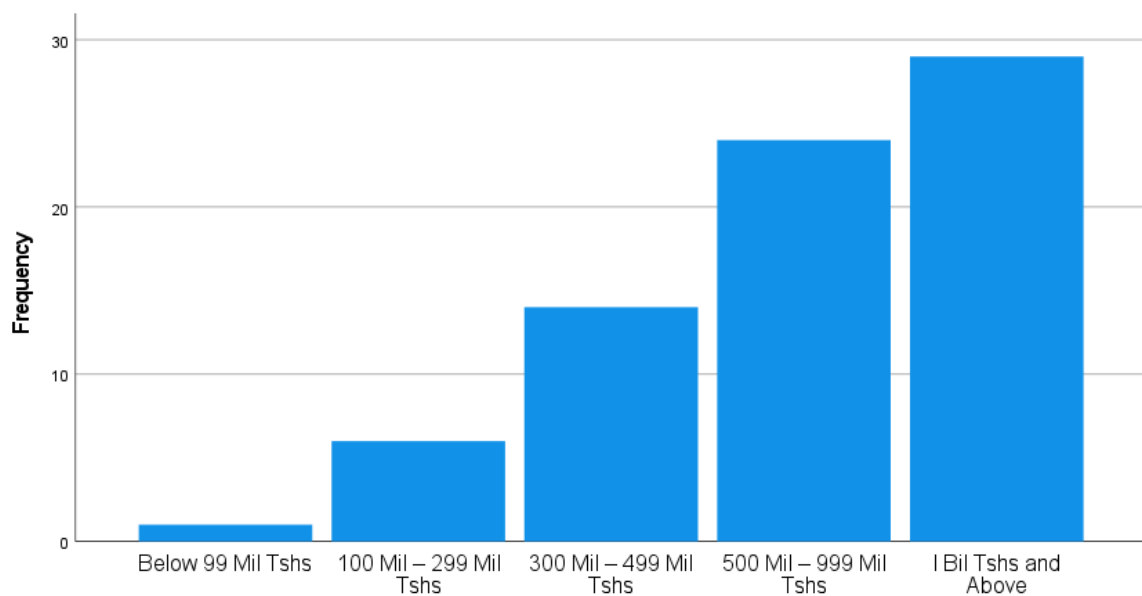
- **I Bil Tshs and Above** – 29 out of 74 respondents (39.2%) revealed that they receive an average amount of fund of 1 billion Tshs and above per year to finance their operations. On the interview with the respondents, this study has found out that, sport clubs that receives an average amount of I Billion Tshs and Above are bigger teams in the country with big fan base and more other sources to increase their club's revenue. On the interview, one of the respondents said that, "although his sport club manage to receive 1 billion Tshs and above per year, still the cash is not enough to meet all the expenses of the clubs per year, hence to force the sponsors to spend their own cash (out of the club account) to accommodate the missing requirements of the clubs".

- **500 Mil – 999 Mil Tshs** – 24 out of 74 respondents (32.4%) responded that they receive an average amount of 500 Mil – 999 Million Tshs per year to finance their operations. This study has found out that, most of sports clubs in this group are those who are being sponsored by different business companies in the country. also, sport clubs in this group receives enough fund during Match/event ticketing. On the interview, one of the respondents said that, “the mentioned amount (500 Mil – 999 million Tshs) is only enough to accommodate the requirements of sports clubs when the club don’t have many abroad travelling, when it reaches a situation that a club need to have abroad roots then it became a challenge to meet the requirements of the club with such amount”.
- **300 Mil – 499 Mil Tshs** – 14 out of 74 respondents (18.9%) revealed that they receive an average amount of 300 Mil – 499 million Tshs per year to conduct their operations. This study has found out that sport clubs in this group are those clubs with consistent average performance in different competitions in the country. These clubs are not strong enough to compete at the highest level, also, they are not weak to be at the bottom of the competition. Hence, most of their funds are obtained from different competition sponsors such as the National Bank of Commerce to the Tanzania Mainland Premier League.
- **100 Mil – 299 Mil Tshs** – 6 out of 74 respondents (8.1%) revealed that they receive an average amount of 100 Mil – 299 Million Tshs per year to manage their operations. This study observed that sport clubs in this category are those clubs that does not have consistent performance on different competition in the country. This are the kind of sport clubs that can compete into one or two seasons of the competition then being relegated to the lowest competition hence to lose their source of fund from sponsors of the highest-level competitions in the country. On the interview, one of the respondents

said that, these sport clubs unable to display a fine consistent performance to different competitions in the country due to financial challenges facing those clubs.

- **Below 99 Mil Tshs** – 1 out of 74 respondents (1.4%) revealed that his club receive an average amount of Below 99 Mil Tshs per year. on the interview, the respondent said that, “the sport club was still new and it has not been exposed to different potentials in the country that could give the club extra income for finance her operations”.

**Figure 8 Amount of fund received by sports clubs per year**



**Source: Study Findings, (2022)**

#### **4.4.1 Percentage of finance of the Planned Budget receives by sport clubs in Tanzania**

This study also discussed with the respondents on the percentage of the finance of the planned budget that is being received by sport clubs in Tanzania. Therefore, the following is the presentation of the results;

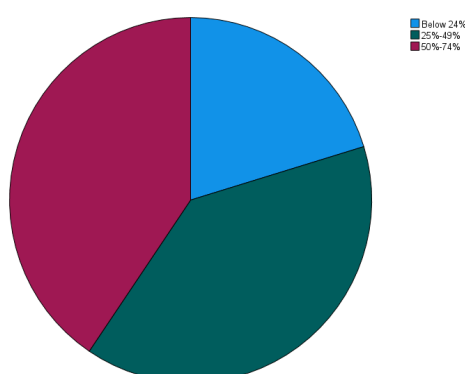
**Table 10 Percentage of finance of the Planned Budget receives by sport clubs**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Below 24%	15	20.3
25%-49%	29	39.2
50%-74%	30	40.5
Total	74	100.0

**Source: Study Findings, (2022)**

Based on the data above, the study has found out that 30 out of 74 respondents (40.5%) receives 50%-74% of the planned budget to finance their operations per year. Also, 29 out 74 respondents (39.2%) receive 25%-49% of the planned budget to finance their operations per year. Lastly, 15 out of 74 respondents (20.3%) receive below 24% of the planned budget to finance their operations per year. Unfortunately, none of the respondents declared that their sport clubs received at least 75%-100% of the planned budget to finance their operations per year. Therefore, this study came to conclude that most of sport clubs in Tanzania faces financial challenges specially to meet requirements for their budget to operate their operations per year.

**Figure 9 Percentage of finance of the Planned Budget receives by sport clubs**



**Source: Study Findings, (2022)**

#### 4.5 Strategies used by sports clubs to generate extra funds

This study observed that most of sport clubs in Tanzania experiences financial challenges to finance their business operations in the country. Hence, the study also discussed with the respondents on the strategies being applied by sport clubs to generate extra fund to finance activities of the clubs. The following are the results that was revealed by respondents addressed by the study;

**Table 11 Strategies used by sports clubs to generate extra funds**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Developing a good marketing and promotion strategy	38	51.4
Have a membership subscription fees plan	9	12.2
Organize fundraising with other stakeholders	7	9.5
Improve the Good Governance of the Club	16	21.6
Provide training to Club Staffs	4	5.4
Total	74	100.0

**Source: Study Findings, (2022)**

- **Developing a good marketing and promotion strategy** – 38 out of 74 respondents (51.4%) revealed that they use a strategy to develop a good marketing and promotion strategy. On the interview, most of the respondents, responded that, their clubs use this approach by knowing their targeted audience to be campaigned for this strategy. Thereafter, sport clubs choose promotion strategy that could be affecting and appropriate to reach their goals. For instance, most of respondents said that their clubs

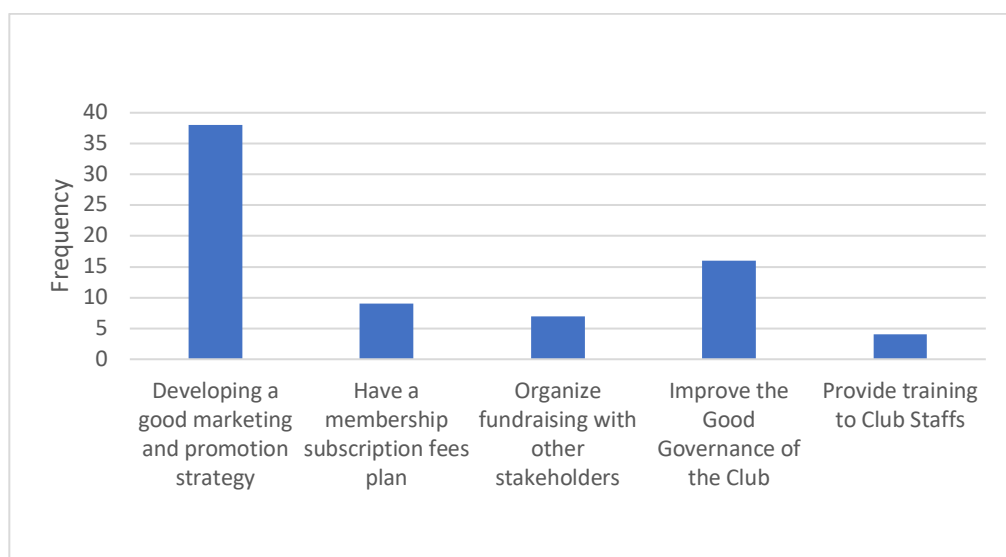
use a strategy to improve public relations with their audience through social media forums by providing them with awareness of the activities being conducted and planned by the teams. This study has observed that, this strategy has been so effective to improve relations between sport clubs and their audience and easily identifying the needs of the audience to sport clubs especially during different competitions.

- **Improve the Good Governance of the Club** – 16 out of 74 respondents (21.6%) revealed that they used a strategy to improve good governance of the club in response to address a financial challenge facing their sport clubs, by generating extra income. On the interview. Most of the respondents revealed that their sport clubs use these strategies by recruiting professional with relevance skills to run activities in sport clubs. For instance, professionals include those with finance skills and public relations expertise. Lastly, the study observed that, by improving good governance of sport clubs, the improvement was based on recruiting professionals to deal with internal affairs of the clubs such as management of athletes in the club as well external affairs of the club such as engagement with the clients of the clubs.
- **Have a membership subscription fees plan** – 9 out of 74 respondents (12.2%) revealed that they use a strategy to have a membership subscription fee plan to generate extra fund for their clubs. This study has observed that, this approach has only been effective to those sport clubs with big fan base. Hence, this approach cannot easily work to sport clubs with small fan base in Tanzania.
- **Organize fundraising with other stakeholders** – 7 out of 74 respondents (9.5%) revealed that they use a strategy to organize fundraising with different stakeholders to generate extra fund to finance business operation in their sport clubs. This study has observed that, this strategy has been applied mostly by women sport clubs in the country who are likely to experiences financial challenges compared to men sport clubs. In

addition to that, stakeholders who are more likely to contribute to fundraising events includes government stakeholders, telecommunication companies and financial institutions such as banks.

- **Provide training to Club Staffs** – 4 out of 74 respondents (5.4%) revealed that their sport clubs provide training to club staff so that they can be able to have appropriate skills to address financial challenges facing their clubs. On the interview, one of the respondents said that, “in order to provide training to club staffs, management of the clubs invites various expertise especially on the field of market and finance to provide training to club staffs”.

**Figure 10 Strategies used by sports clubs to generate extra funds**



**Source: Study Findings, (2022)**



## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This study was conducted to identify financial challenges facing sport clubs in Tanzania. It contained three specific objectives which were; identifying the main source of funding for sports clubs in Tanzania, searching information on the amount of fund needed per year by sports clubs to finance their activities and identifying strategies to be used by sports clubs to generate extra funds for their activities in Tanzania. Based on these objectives the study has come out with the following conclusion;

#### **5.1 Conclusion**

- Based on the main objective for identifying financial challenges facing sport clubs in Tanzania, this study has come to conclude that; most of clubs in Tanzania facing a financial challenge to manage their operations. Financial challenges facing sports in the country directly affects the performance of sport clubs on internal and external competitions which they participate. Financial challenges facing sport clubs in the country forces sport clubs to provide low wages to athletes. Athletes become less motivated to compete at the highest level to bring trophies and respect to the national. In addition to that, sport clubs in Tanzania unable to meet targets of the teams such as recruiting competitive staff on the management level and athletes to fight for sustainable development of the teams into different competitions.
- Moreover, based on the objective for source of funding for sports clubs in Tanzania, this study has come to conclude that most of sport clubs in the country depends on grants and subsidies to generate income to run activities of sports clubs in the country. in addition to that, the study has observed that there can be a potential to get more source

of fund to finance sport clubs in the country if sport clubs can be more competitive within the competitions they compete. If sport clubs compete best in the competitions, they will be able to increase more source of income from different sports stakeholders such as sponsors who may see a necessity to invest into those clubs with assurance of investing into clubs that are competitive in the competition.

- Based on the specific objective to identify the main source of funding for sports clubs in Tanzania, this study has come to conclude that most of sport clubs in Tanzania depends on grants and subsidies. Also, if sport clubs in the country can work on improving few things such as addressing a corruption challenge and improving governance of sport clubs in the country then there is a potential for sport clubs to create more sources of fund in sport clubs. Lastly, sponsors in Tanzania should change their perception towards sport clubs in the country. Instead of thinking for their own short-term benefit, they should put think for a long-term investment in sport clubs for sustainable development of sport activities in the country.
- Based on the objective to search information on the amount of fund needed per year by sports clubs to finance their activities, this study has come to conclude that most of sports clubs in Tanzania spends between 1 Billion Tshs and Above. Based on contemporary situation in the World, the amount is too small to accommodate all the needs of sport clubs to compete at the highest level. Sport clubs in Tanzania should work hard to improve their budget for sustainable development of sports activities in the country.
- Based on the objective to identifying strategies to be used by sports clubs to generate extra funds in the country, this study has come to conclude that, sport clubs in Tanzania especially most of football clubs in the country should learn from other successful sport clubs outside the country on the strategies which they have employed to enhance the

success they have. In addition to that, sport clubs should hire professionals who can initiate better strategies especially on marketing and promotion to enhance success in sport clubs.

## **5.2 Recommendations**

Based on the study findings and the above conclusion, the following recommendations are put through;

- Based on the study findings, we need to have a professional training for sports club leaders and people involved in Sports in Tanzania so the country can train professionally working groups in sports industry.
- For the sake of development of sport activities in the country, sport clubs should put an emphasize on the gender equality so that to provide equal opportunity for both genders to take part on the development of sport activities in the country. Based on the study findings, only male gender appears to dominate management of sport clubs in Tanzania, this is not right at all, because sports activities are not only for men, they also involve participation of women.
- Sport clubs in Tanzania should develop a system of recruitment to recruit only professionals who have passion of sports, rather than employing people to work just because they need work. It's very hard to dream to have success in sports when sport clubs in the country are managed with managers that has no passion for sports.
- The government should come up with a strategy such as subsidizing sport clubs in the country so that to help them addressing a financial challenge that constrains their operations. By doing this, the government will also assist sport clubs in the country to create more employment opportunities especially to athletes in the country with

provision of good salaries, hence to support increase living standard of Tanzanians through sports activities.

- Sport clubs in the country should put more efforts to invest on research activities by recruiting professional researchers who may research on the information for successful sport clubs outside the country so that to identify strategies being used by those clubs to enhance their success. Researches are very important for development of sport clubs in the country because it enables to collect relevance information to enhance development of sport clubs' activities in the country.
- More researches should be conducted to identify measures to be used by the respective authorities in the country to support sport clubs in the country to addresses a financial challenge facing sport clubs in the country. For instance, more researches can be conducted by other scholars on the need for employees training to improve development of sport clubs in Tanzania.

## References

- Baraza-la-Michezo-Tanzania. (1995). *Sera ya Maendeleo ya Michezo* . Dar es Salaam: Government publishers.
- Barget, E., & Rela, S. C. (2017). *The Analysis of Amateur Sports Clubs Funding: A European Perspective*. Athens Journal of Sports.
- Blanco, D. (2017). *Sports Governance: Issues, Challenges and Perspectives*. Asia-Pacific Social Science Review.
- BMT. (2022, March 2). *Ada za Usajili BMT* . From National Sports Council: <https://bit.ly/35KBoqI>
- BMT. (2022, March 2). *Kanuni za Usajili*. From National Sports Council: <https://bit.ly/3IBLbOr>
- Di-Simone, L., & Zanardi , D. (2020). On the relationship between sport and financial performances: an empirical investigation. *Managerial Finance*.
- Dugalić, S., & Krsteska, A. (2013). Challenges of Sports Facilities and Projects Management in the XXI Century. *SPORT - Science & Practice*.
- Fawver, B., & Spengler, J. (2015). *Funding for youth sport: Learning from the past and aligning resources for the future*. Florida: University of Florida.
- Herbert, M. (1998). *Dance Research in Tanzania*. Dance Research Journal.
- Islamia, J. M. (n.d.). *Research Design*. Research in Social Science: Interdisciplinary Perspectives, 68.
- John, C. B. (2017). *Sports and Youth Development: The Practice of Sport-Oriented Youth Development Programs in Tanzania*. Oslo: Melbourne University.
- Johnson , D. (2021, October 7). What is Data Analysis? Research | Types | Methods | Techniques. From Guru99: <https://bit.ly/3IFetMh>
- Lange, S. (2002). *Managing Modernity. Gender, State, and Nation in the Popular Drama of Dar es Salaam, Tanzania*. Bergen: University of Bergen.
- Leseth, A. (2004). *Culture of movement. Walkers, Workers and Fitness Performers in Dar es Salaam, Tanzania*. Oslo: The Norwegian University of Sport.

- Linda, M. (2017). Effect of Foreign Aid to Economic Growth in Tanzania: A Case Study in Manyara National Park-Arusha Region. Dodoma: The University of Dodoma.
- Machalek, R., & Martin, M. (2015). Sociobiology and Sociology: A New Synthesis. From Science Direct: <https://bit.ly/3Cb538x>
- Mangan, J. (1998). The Games Ethic and Imperialism. Michigan: Viking.
- Ministry-of-Finance-and-Planning. (2018). Hali ya Uchumi wa Taifa katika Mwaka 2018. Dar es Salaam: Ministry of Finance and Planning.
- Nagel, M., & Southall, R. (2015). Introduction to Sport Management: Theory and Practice. Kendall Hunt Publishing.
- National-Sports-Council. (2022). Home. From National Sports Council: <https://bit.ly/3vc1bTq>
- Ndee, H. (2010). Modern Sport in Independent Tanzania: Agents and Agencies of Cultural Diffusion and the Use of Adapted Sport in the Process of Modernization. The International Journal of the History of Sport.
- Phillip, J. (2019, July 10). Get In the Game: What Is Sport Management and Where Can It Take You? From LSU online: <https://bit.ly/35gpKnD>
- Phillips, J., & Purcell, T. (2021). Club Sports Handbook. Boston: Campus Recreation.
- Putman, R. (2000). The Collapse and Revival of American Community. New York: Springer Fachmedien Wiesbaden.
- Stelzer, B. (2012). Student involvement theory: patterns of sport club participation at Rowan University. New Jersey: Rowan University.
- Titus, T. (2000). Globalisation and Olympic Sport in Tanzania. Oslo: The Norwegian University of Sports.
- UNGA. (2012). Resolution adopted by the General Assembly on 28 November 2012. Sixty-seventh session: Agenda Item 12. New York: United Nations General Assembly.
- URT. (1967). the National Sports Council Act of 1967 . Dar es Salaam: Government Publishers.

Wicker, P., Feiler, S., & Breuer, C. (2018). Sports Finance. *International Journal of Financial Studies*.