

**JIMMA UNIVERSITY  
COLLEGE OF NATURAL SCIENCE  
DEPARTMENT OF SPORT SCIENCE**



**THE CURRENT STRATEGIC PLANNING OF SOUTH ETHIOPIAN  
MALE PREMIER LEAGUE FOOTBALL CLUBS: IMPLICATION  
ON BUISNESS SUCCESS**

**BY: -**

**SAMSON GETU**

**A THESIS SUBMITTED TO COLLEGE OF NATURAL SCIENCE  
DEPARTMENT OF SPORT SCIENCE FOR PARTIAL FULFILMENT OF  
THE DEGREE OF MASTER OF SCIENCE IN SPORT MANAGEMENT**

**JUNE, 2016**

**JIMMA, ETHIOPIA**

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**June, 2016**

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**COLLAGE OF NATURAL SCIENCE**

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## **ACKNOWLEDGEMENTS**

I could not have completed this project by myself, and while it is may be impossible to thank all who walked with me through this journey, I would like to pay special tribute to some few people.

To begin with and most importantly, I would like to thank the Almighty God, without whom all this would not possible. For His guidance through the whole process, for His comforting hand when I felt any despair and for the insight bestowed inside me when I needed it, I would like to really thank God for His mercies.

Next to Almighty God I would like to thank my advisor Dr. Asim Khan and co-advisor Mr. Hirko Taye (M.Sc.) .You went far and beyond your call of duty by being a friend and a confidante. This work is a surely a reflection of your guidance and my efforts too. I really appreciate and I want to say thank you very much. I also acknowledge post graduate coordinator assistance professor Samson Wondread for his support.

Lastly, I would like to acknowledge my classmates, with whom I shared all the ups and downs of the master of sport management program. I acknowledge your contribution to this final project. In this regard thanks to Dereje Girma, Gezahegn Salmon, Kurema Husen, Henok Lema and Amanu Eba. All those hours we spent preparing for the various academic challenges has come to pass.

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## LIST OF ABBREVIATIONS

<b>FC:</b>	Football Club
<b>NSC:</b>	National Sports Council
<b>FA:</b>	Football Association
<b>GLCA:</b>	Ghana League Club Association
<b>SEPLC:</b>	Southern Ethiopia Premier League
<b>SNNPRG:</b>	South Nation Nationality People Regional government
<b>GFA:</b>	Ghana Football Association
<b>PLB:</b>	Premier League Board
<b>DOL:</b>	Division One League Board
<b>EEPCO FC:</b>	Ethiopian electric power corporation football club
<b>FIFA</b>	Association of International Football Federations
<b>CAF</b>	Confederation of Africa Football.
<b>IMC</b>	Integrated Marketing Communications
<b>BR</b>	Business revenue
<b>BSP</b>	business strategy plan
<b>SPC</b>	Strategic planning challenge
<b>SPM</b>	Strategic planning management
<b>SPT</b>	Strategic planning thinking
<b>SPF</b>	Strategic planning formulation
<b>SPCH</b>	Strategic planning choice
<b>SPI</b>	Strategic planning implementation

## **DEDICATION**

This Thesis is dedicated to my family and my entire Friend who help me.

## **STATEMENT OF THE RESEARCH**

First, I declare that this thesis is a result of my genuine work and all sources of materials used for writing it have been duly acknowledged. I have submitted this thesis to Jimma University in partial fulfillment for the Degree of Master of Science in sport management. The thesis can be deposited in the library of the university to be made available to borrowers for reference. I solemnly declare that I have not so far submitted this thesis to any other institution anywhere for that award of any academic degree, diploma or certificate.

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## ABSTRACT

*The purpose of the study was to determine the current strategic planning exercises implication on the business success of football clubs in the south Ethiopian male Premier League football clubs. The study used the management personnel and players of football clubs as the subject of study. The study focused on how strategic thinking influences business success of football clubs in the southern Ethiopia male Premier League football clubs; how various strategy formulation practices of football clubs in the south Ethiopia male Premier League influence their business success and the various issues related to selection of strategic choices and strategic implementation influence business success and how they impact on their business success and challenges that affect strategic planning on business success. Furthermore, the study examined the concepts of each research question, the factors affecting realization of those concepts and the benefits of seeing them through as components of the strategic planning process on business success. The study adopted a cross-sectional research design. The population of this study was (n=20) managers of all the football clubs in the south Ethiopia male Premier League football clubs. Purposive sampling was used to draw a sample size for 2 coaches and 2 club administrative from each club. Player sample size were taken (n=140) players from (n= 150) players of each five clubs. Sample Size Determination Were taken by using Cochran (1963:75), equation. The result showed in coefficient table that strategic planning management, strategic planning thinking, strategic planning formulation and strategic planning choice and strategic planning implementation has positive significant relationships but strategic planning challenge negative significant relation. The R-square value show that 0.409(40.9%) strategic planning effect on business success. The aim is to tackle major challenges of inadequate resource, training, and shortage of qualified personnel and lack of commitment by top management. to enhance the full potential of strategic planning on business success. Club should work long term plan that is strategic planning including strategic planning management, strategic planning thinking, strategic planning formulation and strategic planning implementation to achieve business success and over all clubs development.*

**Key words:** Strategic planning, Premier league, Football, Business.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

Sport is a hobby or leisure time activity for most people. However, it is also increasingly established that sport is also a business (Chadwick & Arthur, 2008). In this research assignment the emphasis is on the football industry. In the sport of football an important transformation took place. In general, football clubs have originated since the 1850s and the majority of European clubs are about 100 years of age. When the game attracted spectators and players became financially compensated, business practices developed into the clubs that were until then just sporting associations. Thus, to a certain extent business has always been a part of sports. However, since the 1980s there has been a large economic development in the sport with an involvement of corporations and other business institutions. During these last decades business in football has grown enormously and football clubs have commercialized largely(Chadwick & Arthur, 2008).

Sport has undergone tremendous metamorphosis since it developed in certain instances as a ceremony, a celebration, a physical pursuit, a leisure activity and now, increasingly a business. Previously sport in general was looked upon as a hobby and largely non-commercial in nature growing interest in professional sports has ensured that major sports organizations in the West are now predominantly run using corporate business models. (Chadwick, 2009).

Consequently, the football industry now is an international business; international professional competitions are established, players are transferred all over the world and the European Championship finals and FIFA World Cup finals are top media events with television broadcasting all over the world. Football is also said to be the most popular sport globally (Richelieu, Lopez and Desbordes, 2008). And although the currently very challenging economic times there is a continued revenue growth in European football,

illustrating the continued loyalty of supporters and the continued appeal of football to sponsors and broadcasters (Deloitte, 2010).

While the finances of professional football clubs have increased massively and attitudes have changed, the fans among others have experienced important changes in the cultural organization of the sport (Giulianotti, 2002). Often there is a change of culture and some traditions are lost among clubs that have commercialized. Furthermore, an interesting situation in the football industry is that a minority of clubs are owned by their supporters. In these so called membership clubs, the ownership is spread out among a large amount of fans. Consequently, the fans at these clubs have an important influence on how the club is commercializing.

Many studies have suggested that business failure is due largely to an organization's failure to plan. As Norman and Thomas (2003) noted, without a clearly defined strategy, a business has no sustainable basis for creating and maintaining a competitive edge in the marketplace. This view is shared by numerous empirical studies that reveal a link between strategic planning and corporate business success (e.g. Bracker et al, 1988; Schwenk and Shrader, 1993) Strategic planning is therefore a very important research topic for organizational success. Studies have shown that the high failure rate among small firms, particularly among start-ups, can be attributed to the lack of formal business planning (Castro Giovanni, 1996).

The benefits of strategic planning to organizations are varied. These may include; providing a structured means of analysis and thinking to management, encourage management to question the premises that their corporate strategies are based on, encouraging a longer term view and providing a means of coordination (Johnson, Scholes and Whittington, 2005). Many of the contributing factors to business failures may be predicted and effectively address during the infancy of small business development when strategic planning is employed, thereby decreasing the failure rate for small business. Where strategic planning has been adopted, businesses usually report that it benefits them (Baker et al, 1993).

The studies that examined the nature of business planning activities undertaken by small firms suggest that a relationship exists between enhanced sales growth and the



implementation of sophisticated business planning techniques (Berman et al, 1997). The empirical literature widely assumes that strategic planning is a substantial success factor for small or new ventures. Accordingly, strategic planning increases not only the rate, but also the extent of success. Meta-analyses conducted by Robinson and Pearce (1984) and Schwenk and Shrader (1993) showed that the existence of strategic planning is significantly positively correlated with the success of an enterprise. Small firms can benefit from strategic planning particularly if it involves long-range thinking and systematic screening of opportunities (Schwenk & Shrader, 1993). Ackelsberg and Arlow (1985) have proven that strategically planning enterprises achieve better financial results. This implies that expenditures related to planning activities would be compensated financially. Further positive relationship between strategic planning and financial performance was discovered.

Delmar and Shane (2003) examined the relationship between planning and business enterprise development on the basis of 211 Swedish new ventures and found that planning reduces the probability of enterprise dissolution, thus increasing the probability of survival. According to the authors, this contradicts the widespread opinion that due to a lack of time, planning is less relevant for business enterprise founders than other value-increasing business enterprise activities. The authors likewise regarded planning as a value-increasing activity itself, even in a largely uncertain and unclear situation like the establishment phase of an enterprise numerous researchers in different industries. Morrow (2003) describes the main clash between the position of football clubs as profit searching companies and football clubs as social organizations. There is a conflict in football in which clubs aspire to be considered part of the community with local identities and traditions and the aspirations to be revenue seeking businesses (Kennedy & Kennedy, 2012).

Arnaut (2006) adds that a football club cannot have a mainly profit maximizing attitude, because it has a wider role in the community that does not imply only financial value. Therefore, the football industry is perhaps less suitable for an investor ownership model. The major developments in professional football have had an important effect on clubs and the relationships with their fan base. Kennedy & Kennedy (2012) write that supporters have been very resistant to the commercialization of football. Subsequently, Hamil & Chadwick

(2010) write that the large revenues that football clubs create are only achievable because of the large, ongoing supporter demand for the sport.

The supporters are the market for match-day, broadcasting and commercial revenue. They are also the attendants of the stadia and therefore become part of the product itself, as part of the game that is sold to other consumers (Hamil & Chadwick, 2010). According to Kennedy & Kennedy (2012) the large increase of financial capital in football is generated, directly and indirectly, by the commercial exploitation of football fans and their loyalty to their clubs. There is a consumption strategy of football by sophisticated merchandising systems that exploit fan bases and the increase of prices for viewing football, regarding stadium tickets and pay-per-view broadcasting. And with their participation supporters help to construct the game that attracts commercial sponsors. Supporters often feel disillusioned with their club acting like a business, but they feel there is no way out but to support their club's struggle to stay financially competitive with other clubs (Kennedy & Kennedy, 2012).

In Kenya, its Premier League is operated and run as a private limited company incorporated in October 2003 under the Companies Act of Kenya. The League is fully owned and managed by the 16 member clubs. Several of the football clubs are run by people who neither have the business mindset nor the know-how and exposure that is necessary to command a gear shift in the industry. This has enabled the league to tap into the promotional budgets of several companies such as East African Breweries, which recently sponsored the league with 2.02 million dollars as title sponsor of the Tusker Premier League. Several other companies are also working with the League (Mikias MehraTsadik, 2015).

The Ethiopian Premier League is the top association football division in Ethiopia. Regulated by the Ethiopian Football Federation, it was created in 1944. The Ethiopian Football Federation is the governing body of football in Ethiopia. It was founded in 1943, affiliated to FIFA in 1953 and to CAF in 1957. It organizes the national football league and the national team. The Ethiopian premier league clubs participated in a year 2011/2012 premier league completions was Saint George, Dedebit FC, EEPKO FC, Hawassa City FC, Mughar

Cement, Ethiopian Banks SC, Sidama Coffee, Arba Menche, Defense Force, Harare Brewery FC, Ethiopian Coffee, Adama City FC, Dire Dawa City, Ethiopian Air Force. From on top of 14 clubs. These are Ethiopia coffee, Saint George, Dedebit, Hawassa city, Harrar beer, Sidama coffee and Arba Menche city [www.de.wikipedia.org]. In Ethiopia Professional sport teams drive their income from four sources: spectators fee, sponsorship, television transmission fee and merchandise sales. In our country most of the incomes of the public clubs comes from cause-related marketing or sponsorship. This is especially true for the public and governmental clubs that are under the patronage of one or more companies. Contrary to the sport policy which envisages independent sport clubs with their income source, 75 percent of the surveyed clubs are dependent on government handouts. As a result, they fall through the crack when the organization changes takes. What happened to Harare Brewery Football Club is a good case in point. Following the purchase of the Brewery by Heineken, there was some kind of confusion surrounding the future of the Club (Mikias MehraTsadik, 2015). Therefore, this study will attempt to suggest some attainable alternatives and computable recommendations. It will also expected to provide valuable support for improving the development of strategic planning in business success of south Ethiopia male primer league clubs.

## **1.2. Statement of the Problem**

Robinson and Littlejohn (1981) found a positive relationship between strategic planning and financial success in their investigation of small business enterprises. Similarly, Jones (1982) found that small business ‘planners’ were shown to be more successful measured by return on assets than ‘non-planners’. Besides, they were engaging more in anticipating changes in the marketplace and looking for ways to take advantage of these changes. At the moment 84 percent of sport clubs in the country are owned and funded by governmental institutions, one of this clubs is Arba Minch city FC, the club is striving to be a public team and is working to change its huge fan base to cash. Yet it is still dependent on its overseer, the Gamo Gofa Zone Administration. In preparation for the previous season the club has spent 3.2 million birr for transfers and extending contract, with a 400,000 birr highest payment for a single player The Club has also allocated 11 million birr budget for the year. What will be the fate of the Club, if the administration shifts the budget to other priorities of the zone? No

one seems prepared for such eventualities. Although the money flowing in the sport is growing, the situation doesn't show a full business trend. "This is because there are no sport clubs in the country that work for profit; most clubs do not even have a business plan."(Mikias MehraTsadik, 2015)

The ways clubs are formed and organized in Ethiopia do not follow a business model. Profit making is not considered. As a result, their leaders' do not develop viable marketing strategies to generate resources to operate on their own. This is because; their legal status is usually as a charitable association which doesn't allow them to do business. This is in addition to the lack of qualified human resource with all the incentives to work for the transform of the sector (Mikias MehraTsadik, 2015). Although the money flowing in the sport is growing, the situation doesn't show a full business trend. "This is because there are no sport clubs in the country that work for profit; most clubs do not even have a marketing plan or business strategy." Belayneh Teshome, former Mebrat Hail Sport Club manager reflects. Unless the clubs start to strategy generate their own resources, the consistent increase of cost of running sport club will pose a critical impediment on their sustainability (Mikias MehraTsadik, 2015) one of the main problems with the association of strategic planning and business success increasing commercialism is the alienation of football clubs. Frequently, destruction occurs of the identities and traditional values upon the business plan which football clubs are built. As a result of these changes, football clubs often cannot identify their strategic planning and business success with their football club and a lack of satisfaction among supporters starts to develop. The researcher was tried to answer the following questions:-

1. Does Challenges affect South Ethiopia male premier league football clubs practice strategic planning in business success?
2. Is there significant relationship between current strategic planning and business success of football clubs?
3. Does current strategic planning significantly affect business success of football clubs?
4. To what extent strategic planning significantly affect business success of football clubs

### **1.3 Objectives of the Study**

#### **1.3.1. General Objective**

This study was investigate to determine the current strategic planning exercises implication on the business success of south Ethiopia male premier league football clubs.

#### **1.3.2 Specific Objectives**

1. To examine the challenges affecting practice of strategic planning and business success of football clubs.
2. To show the relationship between strategic planning and business success of football clubs.
3. To explore the effect of strategic planning on business success of football clubs.
4. To examine the amount of strategic planning affect business success of football clubs.

### **1.4 Significances of the Study**

**1.** This study helps to Academicians and Researcher further shed light on the football clubs. This study examine the link between the success of football clubs in the South Ethiopian Premier League and strategic planning by their management, and the study used to as reference for other researchers and for academic purpose. It used as reference to get different books in area of strategic planning and management.

**2.** This study helps to Policy Makers Evaluate the football clubs by referring strategic planning with business success to facilitate the potential to creating a lot of employment opportunities. Reform sports persons themselves, their managers, building and maintenance of facilities, and generally to achieve the goal of opportunity for youths to make a good living.

**3.** This study helps football club managers to understand the importance of equipping themselves with adequate strategic planning skills as well as the knowhow of implementing these plans to the letter to realize the set objectives. This study helps to shed light on how

clubs can build mutually beneficial partnerships with potential investors. Investors in this case would be the sponsors, potential owners and other stake holders.

### **1.5. Delimitations of the Study**

The study was delimited to the current strategic planning of south Ethiopia premier league football club: implication on their business success. The study delimited from Ethiopian premier league which contain (n=14) to SEPLC, which contain (n=5).

### **1.6 Limitations of the Study**

The following points were factors that affected the research processes negatively:

- ❖ Lack of sufficient background information about the region's footballs clubs.
- ❖ Unavailability of some important persons of different organization especially in the document analysis.
- ❖ Some clubs shows unwillingness during data collection
- ❖ Refusing of respondents to give back the questionnaire
- ❖ Refusing of respondents to answer some questions in the questionnaire

### **1.7. Operational Definition of Terms**

**Strategy:** is a plan, that is, a means of getting from here to there; Strategy is a pattern in actions over time. Strategy is perspective, that is, vision and direction (Mintzberg, 1994)

**Strategic planning:** is management by plans, diagnostic process and is focused in making optimal strategic decisions. They go on to state that strategic planning is the process of seeking a better match between a firm's products or technology (Arasa and K'Obonyo, 2012).

**Strategic thinking:** can be defined as the process of identifying alternative sustainable strategies or business models that deliver value to customers (Abraham, 2005).

**Strategy Formulation:** This is the process of aligning what comes from strategic thinking practices and presenting these ideas in a logical and achievable manner (McNamara, 2007)

**Strategic choices:** involve multiple decisions that shape the future competitiveness of the company and have effects throughout the organization and society (Mudambi, 1994).

**Success:** can also mean completing an objective or reaching a goal. Success can be expanded to encompass an entire project or be restricted to a single component of a project or task. It can be achieved within the workplace, or in an individual's personal life. For example, if an individual's personal goal is to be accepted in a new career, success would occur after the individual has been officially accepted into his or her <http://www.businessdictionary.com>

**Football:** is played between two teams of 11 players, in which the ball may be advanced by kicking or by bouncing it off any part of the body but the arms and hands, except in the case of the goalkeepers, who may use their hands to catch, carry, throw, or stop the ball. Origin of soccer Expand. Soccer | Define Soccer at Dictionary.com

**Business:** postulated that business comprise of individuals, who, in market economy transform resource in to product and service in order to meet the need of people. Cronje et al. (2004) and pool man (1992) cited in gouws (2001)

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Concept of Strategy

The term strategy occurs widely both in management literature and everyday usage, though the term has no clear universally accepted definition. French (2009) argue that, “there is no single universally accepted definition of strategy. “The pattern of objectives, purposes or goals and the major policies and plans for achieving these goals, stated in such a way to define what business the company is in and the kind of company it is to be.” Porter (1997) describes strategy as, setting yourself apart from the competition. This involves a unique view of the organization with the market place as well as having a unique proposition to the consumer. He envisions 3 generic strategies that may be utilized by organizations: low-cost, differentiation and niche strategies. Low cost strategy is based on the premise that organizations can gain competitive advantage by driving down organizational costs and thus offering their customers the cheapest or most cost effective offering.

Differentiation strategy is whereby the organization seeks to achieve competitive advantage by making their product offering different from competitors. Niche strategies are underpinned by the desire of the organization to identify specific market segments and serve them more effectively than other organizations. Mintzberg, Ahlstrand and Lampel (1998) developed the for strategy framework: Plan, Pattern, Position, Perspective and Ploy. Strategy as a plan is described as a consciously constructed course of action, a guideline to deal with a situation, as a pattern strategy is seen where it emerges from a stream of historical actions, thus strategy is consistency in behavior, as a position strategy is how the organization locates itself in relation to its key constituents, as a perspective strategy is how the organization perceives the outside world and how it identifies itself. Finally strategy as a ploy is where strategy is viewed as the specific maneuvers intended to outwit or outcompete rivals.



## **2.2 Strategic Planning**

Strategic planning alludes to a managerial process, which can be broadly defined as “the process of determining the mission, major objectives, strategies and policies that govern the acquisition and allocation of resources to achieve organizational aims” (Pearce, Freeman & Robinson, 1987, p. 658). Storehouse and Pemberton (2002, p. 2) define strategic planning as, “the devising and formulation of organizational level plans which set the broad and flexible objectives, strategies and policies of a business, driving the organization towards its vision of the future. “These definitions of strategic planning stress the importance of environmental scanning, organizational assessment for the purpose of formulating, implementing and evaluating strategies to enhance organizational effectiveness and efficiency with a view to achieve stated organizational objectives (David, 1986). Other commonalities that most definitions share are in the aspects of mapping out a long term direction of the organization and defining what business the organization should concern itself with (McDonald, 1996).

The concept of strategic planning is one which is evolutionary in nature. This is aptly highlighted by the seeming constant change in name of the concept itself and the nuances that these different and divergent labels spring forth. Strategic planning has previously and variously been called long range planning, corporate planning and is now synonymous with strategic management (Hussey, 1997). French (2009) attempts to draw a timeline between the adoptions of these various terms. He posits that in the post- Second World War era it was felt that organizations needed to increase their planning horizons to accommodate longer business planning cycles of between 2 to 3 years. Thus the term “long- range planning” or “long term planning” were adopted into management lexicon eventually evolving into strategic planning which formed part of a larger body of theory described as “business policy.” Business policy would then eventually evolve and become present day strategic management.

### **2.3 Challenges of Strategic Planning**

Challenges to strategy development will always be present, even in the most organized organizations. Management must anticipate challenges so as when they eventually occur, they are not caught flat footed. Further, to this, adequate resources both financial and non-financial must be availed to address anticipated challenges (Kitangita, 2007). Simons and Thompson (1998) refer to three categories of factors that impinge on the strategy planning process. These factors are environmental, organizational and decision-specific factors. Environmental factors mean external agents such as national culture, national economic conditions and industry conditions. Organizational factors refer to organizational culture, organizational structure, structure of decision-making bodies, impact of upward influence and employee involvement. Decision-specific factors can be thought of time, risk, complexity and politics.

Thomas and Strickland (1999), notes that every organization has its own unique culture-one made distinctive by its own business philosophy and principles its own ways of approaching problems and conducting activities, its own mix of managerial personalities and styles, its own patterns of “how we do things here”, its own set of war stories and heroes. Probst and Buchel (1997) contend that all management activity, including strategic planning, cannot be considered independently of culture because it is culture which sets organizational behavior, both at institutional and individual levels. Similarly, Thomas and Strickland (1999) assert that a strong culture is a valuable asset when it matches the requirements for good strategy execution and a dreaded liability when it does not. Resources often dictate the success of any strategy development process. Porter (1997), notes that too little resources will tend to stifle the ability of the company to carry out the strategic plan, too much funding wastes company resources and may actually impair financial performance. Kiuna (2007) posits that resources need to be adequate for the planning team. Budgetary allocations thus indicate the management commitment to the strategic plan. Resource availability is thus a key challenge to strategy development and therefore prudent mechanisms must thus be engaged by management to ensure adequate resource provision as a means to actualize strategy development (Kitangita, 2007)

Thomas and Strickland (1999), define an organization's structure as the formal framework by which job tasks are divided, grouped and coordinated. Structure is the framework through which the organization's efforts and objectives are eventually going to be implemented (Cole, 1996). Organization structure is the formal presentation of systems of positions and relationships within the firm. It clearly shows the firm's goals and specifies formal communication channels, who does what and who is responsible for whom/what. It is senior management's blueprint of how they want to achieve the organization's goals (Staniforth, 1994). With this in mind management authors have stated that there must a fit between strategy and structure. Any inconsistency between the two will lead to disorder, friction and malperformance within the organization (Thomas & Strickland, 1999; Staniforth, 1994; Porter, 1997).Kiuna, (2007), enumerates a number of challenges that organizations typically face during the strategy development stage. These include: organization politics, problems related to corporate governance, poor resource management and declining support from stakeholders.

#### **2.4. Strategic Objectives**

The purpose of setting objectives is to convert the statement of the organizational mission and direction into specific performance targets (Thomas & Strickland, 1999). David (1986) asserts that objectives are vital to an organization's success because they provide direction, aid in evaluation, create organizational synergy, reveal priorities, allow coordination and are essential for the successful management of organizations. Thomas and Strickland (1999) contend that an organization needs both long term and short term objectives. Whereas long term objectives, usually with an extended time horizon, serve to motivate organizational members in achieving their stated goals, short term objectives answer the question of "what do we do now?" to achieve our long term objectives.

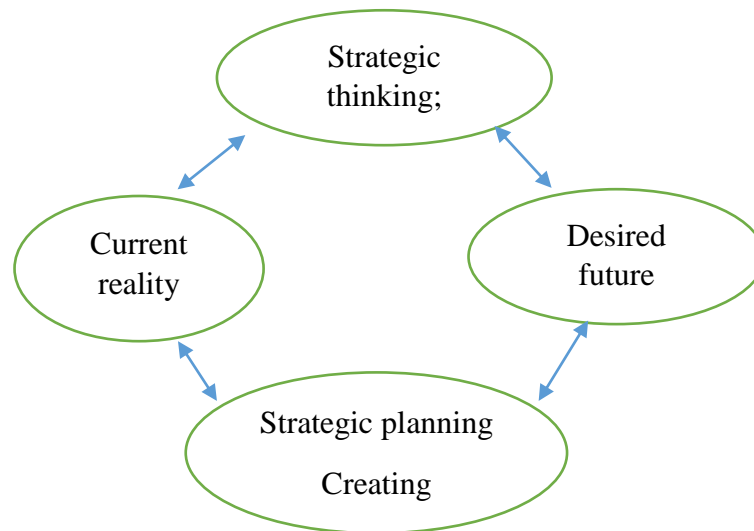
## **2.5 Goal Setting and Strategic Planning**

Aloi (2005) discovers the importance of maintaining a “mission focus” during the strategic planning process. In the study involving three distinct institutions, Aloi identifies one institution where faculty, staff, and administrators are “highly aware and supportive of the three elements of their mission statement and believe that using the university’s mission as a guideline enables the institution to allocate its limited resources to accomplish annual and long-term goals” (p.4). Sevier (2003) stresses that goals are the foundation for an effective plan that moves beyond paper to action, “A successful strategic plan – a plan that guides action – is built on clear goals that are themselves built on solid data” (p. 19). This move to action, to work, is important or the plan will not be effective. Drucker (1974) captures the essence of this idea as he states, “The best plan is only a plan, that is, good intentions, unless it degenerates into work” (p. 128). Goals are the catalyst for this degeneration. McKelvie (1986) discusses strategic planning in terms of goal setting and the need for institutions to set clear goals in the face of economic and financial constraints. Like McKelvie, Fincher (1972) also emphasizes the importance of goals to an institution’s strategic planning efforts. Fincher identifies that planning in higher education began as simple projections of past trends. Fincher suggests a shift from this planning based on past trends to planning by objectives. Planning with a focus on goals and objectives moves the institution toward deliberate goals as opposed to the simple expansion of existing programs that results from planning based on past trends

## **2.6. Strategic planning Thinking**

Polboon Nuntamanop, Ilkka Kauranen and Barbara Igel (2013), stated that “most reviewed literature about strategic thinking either emphasizes the roles of strategic thinking in strategic management or proposes different dimensions of definitions. However, a common definition of strategic thinking in terms of its characteristics is not found”. Hanford (1995) suggested that the ability to think strategically required development of: Thinking concepts; Thinking skills; Thinking styles and Thinking techniques. Abraham (2005) contended that strategy implied competing and outwitting competitors. He also stated that “strategic thinking is the process of finding alternative ways of competing and providing customer value.

Figure 2.1 strategy-making as creating and disrupting alignment



Source; Liedtka (1998, p.124). Linking strategic Thinking with strategic planning

### 2.6.1 Education Level

Studies have typically equated attained education level with attributes such as cognitive ability, capacity for information processing, tolerance for ambiguity, and propensity or receptivity to innovation (Guthrie et al, 1991). Managers' education levels have also been empirically linked with propensity to deviate from implementing strategic change (Wiersema and Bantel, 1992). A higher education level has been associated with the tendency to engage in higher boundary spanning, show a higher tolerance for ambiguity, and to exhibit higher integrative complexity (Dollinger, 1984).

### 2.7 Factors Affecting Strategic Thinking

Goldman (2012) stated that the "three reasons for the strategic thinking gap have been suggested: a lack of understanding of the concept overall; constant practitioner and theoretician confusion of the term "strategic thinking" with "strategic planning" as well as other strategic management terms; and limited development of strategic thinking among organizational leaders". Goldman (2012) further stated that the knowledge gap between strategic thinking and strategic planning among top level managers hampers strategic

thinking. “Strategic thinking is an individual experience and takes place informally and without any decision or action necessarily following.

## **2.8. Strategy Planning Formulation**

McFarlane (2010) stated that “the strategic formulation process must be undertaken with both mission and vision in mind. Companies engage in this process which is both time-consuming and difficult, because it is the only viable way to survive in the global economy where competition is constantly increasing and where economic, political-legal, social, cultural and technological changes are constantly in motion to affect strategy effectiveness and results “To begin with, an organization starts by forming a mission statement. A mission statement is a statement of purpose that differentiates one organization from another and similar organizations (David, 1986). A well thought of mission statement defines the unique purpose that sets an organization apart from others and identifies the scope of the organization’s day to day activities in terms of the products offered and the markets served (Thomas & Strickland, 1999).

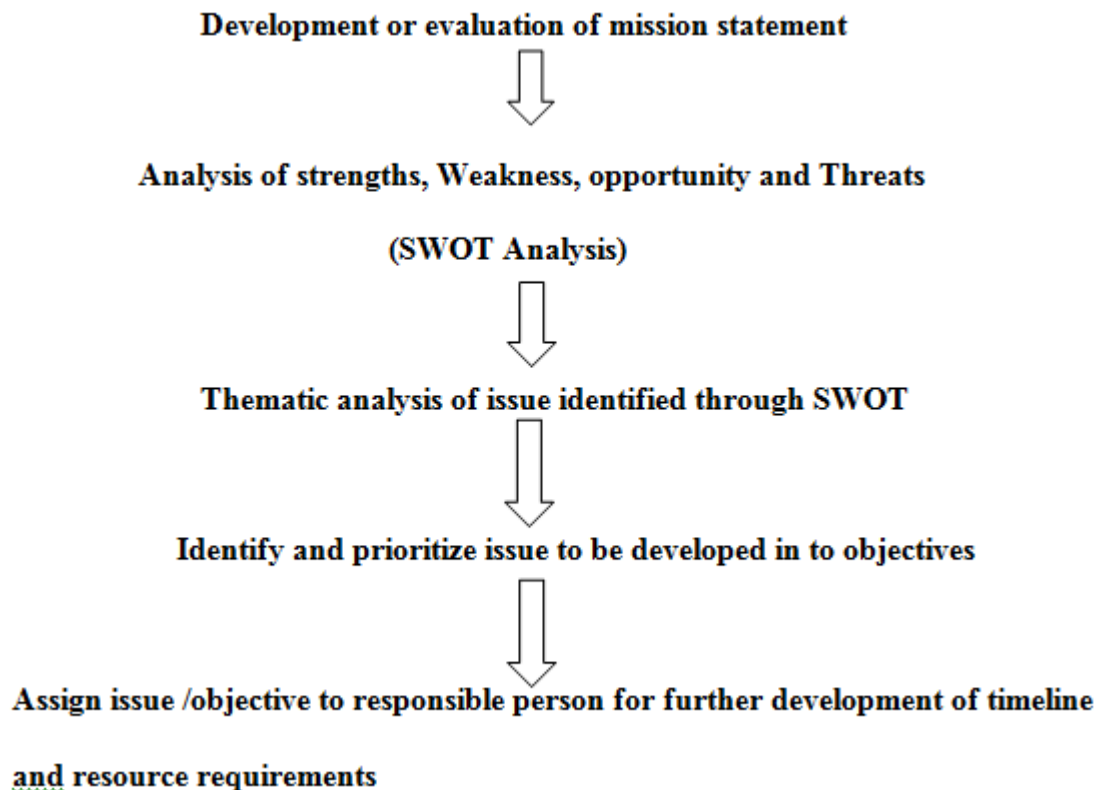
## **2.9 Factors Affecting Formulation of a Strategic Plan**

Challenges to strategy formulation are always present, even in the most organized organizations. Management must anticipate challenges so as when they eventually occur they are not caught flat footed. Further, to this, adequate resources both financial and nonfinancial must be availed to address anticipated challenges (Kitangita, 2007). Environmental factors mean external agents such as national culture, national economic conditions and industry conditions. It examined factors such as set laws within the sector, set standardizations policies, to what extent one should consider the local community, the prevailing political conditions, strategic positioning, mergers and partnerships and the impact of the organization “s presence on nature and its wellbeing.

Decision-specific factors can include time, risk, complexity and politics within the organization; it is in tandem with having a good mix that would help the organization to come up with appropriate decisions and in a timely manner. Huang, Abu-Salih and Megdadi (2013) stated that “business managers can’t ignore the political policies, laws and regulations of the country from which they conduct international marketing transactions.

They are required to understand the country in which the businesses will operate and work within the existing parameters and anticipate and plan for changes that may occur. Demographic factors and changes can create business opportunities for marketing innovation as far as consumer income, age, standard of living, occupation, educational level”.

**Figure 2. Simple process for developing an initial strategic plan**



Source; Schroeder (2002, p.14). A simplified Approach to strategy

## **2.10. Strategic planning Choices**

This step involves stating different alternative strategies, evaluating them on the basis of their contribution towards achieving your objectives while focusing on the results of the environmental analysis and thereafter making a choice among the alternatives so generated (Pearce & Robinson, 2002).Mudambi (1994) stated that “Strategic choices involve multiple decisions that shape the future competitiveness of the company and have ramifications throughout the organization and society. Since strategic decisions are made at both the

corporate level and the operational level, a clearly defined corporate strategy can serve as a useful guide". Mudambi (1994) further stated that strategic choices vary in their level of risk, comparability and profitability based on the strengths, weaknesses, opportunities and threats the organization faces in its industry and the environment.

Bhekauli et al (2014) stated that the strategic choice to be undertaken hinges around three reasons: Risk Taking Strategy; Cost Strategy and Diversification Strategy. Risk taking was defined as the implication the strategy would have on realizing the organizations' mission, Cost Strategy was defined as the efficiency of utilization of resources and Diversification Strategy was defined as the measure of how much gains outweigh the costs or vice versa.

### **2.11 Factors Affecting Strategic Choices**

Bias and favoritism also played a role in selecting strategic choices. This was normally with regards to infighting among directors or managers, based on choice of preference when selecting which strategic choices the organization should undertake. Liedtka (1998) stated that a holistic view of how the firm operates helped the management see how it can merge all its processes and procedures so as to have an integrated system that functions optimally. This helped to ensure that all the interests of all managers and other stakeholders were taken into account and thus it aided in ensuring appropriate strategic choices are made in a timely manner.

### **2.12. Football Clubs' Priority of Sporting Success**

Traditionally, football clubs have been considered as non-profit organizations (Hemstrom, 2005). Based on "the amateur sport idea" (Soderman, 2012:2), the clubs have in contrast to economic associations not combined economic activity with the purpose of satisfying members' economic interests, but rather their idealistic interests of reaching sporting success. Hence, even though economic activity has been a condition for survival, football clubs' main purpose has always been to achieve sporting success on the field (Hamil et al, 2010). However, as suggested by Cross and Henderson (2003), football clubs have in the last decades gone from providing leisure activities to become business organizations, resulting in that the differences have faded between football clubs and profit-seeking organizations.



But, even though the majority of the football clubs within the UEFA football industry today consider themselves as for-profit organizations they have in lack of clearly stated rules ignored financial performance and ruthlessly kept working towards their main purpose of achieving sporting success on the field. In order to face the intense competition, football clubs have based their strategies on the quest for building the most competitive squads no matter the costs, by continuously relying on funds raised from rich owners and/or creditors who have shared the mutual interest of short-term sporting success.

### **2.13. Business**

Although there is no single universally accepted interpretation of the term business the definition of business appear to be fairly straight ford with most author occurring on the typical generic characteristics and fundamental objective of business. The term business can be defined as a free enterprise (pride, Hughand Kapoor, 2005) or any profit –seeking activity. Cronje et al. (2004) and pool man (1992) cited in gouws (2001) postulated that business comprise of individuals, who, in market economy transform resource in to product and service in order to meet the need of people.Gouwr (2001) described a business as a micro environment that is influenced by the macro environment that is influenced by the macro and market environment with strong inter play between all three spheres that constitute the business environment.Nieman and Bennet (2002) cited in Niemen (2006) described a micro environment of consisting of three primary viable, namely a business mission and objective, its management and its resource which are responsible for the output of the business.

### **2.14. Growth of the Sport Business Industry**

Presently, it is now the dominant economic sector in sport (SA Tourism,2005).Interestingly in Australia ,the growth of the community sport business industry was attributed to the oversupply of physical education teacher in the late 1970s and early 1980 ventured in to self- employed(Arnold,2008).The evolution of the leisure from a peripheral function of life to a profit –seeking commodity was alluded by Korus (1995).In recent time the professional sport industry has witnessed ludicrous trend of star athlete being sold for hundreds of millions of pound while professional sport franchises(slack,2004)..Some interesting statistics

make a compelling statement: sport business journal estimate the united states sport industry as having a value of \$213 billion dollar with a real per-capital growth rate of 7,8(slak,2004).Consumer spending on sport united kingdom reached a record £15.2 billion pound in 2000 (Gratton and Taylor,2000).

### **2.15. The Growing Money Surrounding the Ethiopian Football**

Surely the business activities and the amount of money circulating in the sport have grown exponentially, even before the national team secured its place in the African cup of nations. The player's contract signing fees has skyrocketed from tens of thousands to hundreds of thousands just in few years. Now it is common for clubs to pay over half a million birr to get a player sign a contract for a two-year (Mikias MehraTsadik, 2015)Addis Hintsa, 25, is an attacking midfielder for the national team and Dedebit Football Club; he was paid 700,000 Birr to extend his contract with the Club for two years. Even though this is officially the biggest contractual payment for a local player, industry observers indicate that St. George F.C. has paid close to one million birr to one of its well-known players. The Management of the club however refrains from commenting on this issue for much of such decisions are decided by the Board of the Club (Mikias MehraTsadik, 2015)

As we can see from Table 1 most of the players are Addis Hintsa, 25, is an attacking midfielder for the national team and Dedebit Football Club; he was paid 700,000 Birr to extend his contract with the Club for two years. Transferred to Dedebit, the emerging power house of the league. Only in its fourth season, the club has managed to make a big splash in the sport. Addis Hintsa agrees with this, “before Colonel Awel Abdurahim (president of the Dedebit FC) came into the scene, the situation was totally different, payments and benefits of players were not this much, but now with the emergence of Dedebit, it has dramatically grown” he said (Mikias MehraTsadik, 2015).Even though the transfer fees are a big surprise to outsiders, some players believe there is a lot to improve; they mention the amount of their monthly salary to make their points. Adane Girma married and a father is paid a monthly salary of 2500 Birr. “This is not enough to support my family had it not been for other incentives and transfer fees I get”. Addis Hintsa agrees with this, even though their club has increased their salary to 3000 Birr, last November 2012. In fact their salaries are

insignificant when compared to their international colleagues in the same club. According to data from EFF, Robert Odon Kara, the indomitable Ugandan St. George goal keeper, is paid 6,000 dollar per month. The general manger of the team, Terefe Anberber, said international staffs are paid in hard currency from international accounts of the big supporters of the club. Other African players in Dedebit are paid 1,000 – 1,200 dollar. Coaches also get big salaries. Dedebit pays 20,000, 8,000 and 5,000 for its head-coach, assistant coach and goalkeepers' coach respectively (Mikias MehraTsadik, 2015)

## **2.16. Commercialization of Professional Football**

In professional football the role of financial capital has increased significantly over time. Before the 1990s, the aim of professional clubs was to entertain the fans by accomplishing sport success while staying solvent and not to maximize profit. Finding ways to improve playing success is the most important, and the clubs can be described as win (utility) maximization oriented. In the 1990s, an increased involvement of global media conglomerates in football took place. For media companies the broadcasting of sporting events had become a very important tool to attract viewers and advertisers (Williams, 1993; Sandvoss, 2003). The Bosman arrest was also a keystone event. The Bosman ruling is a 1995 European Court of Justice Decision concerning freedom of movement for workers and freedom of association.

The case was an important decision on the free movement of labor and had a profound effect on the transfers of football players. Due to events like these, commercialization accelerated in the 1990s in professional football and clubs increasingly compete with each other on financial capital. The need for income from broadcasting, merchandising and sponsoring, led to a high commercialization of professional football. Professional football had changed to a consumer-oriented service where the market is very essential. The football industry changed from a utility maximizing to a more profit maximizing consumers-oriented service (Dejonghe, 2008). The commercialization of football has changed the income structure of football clubs largely. The money a club takes in on the day of the match was traditionally its major source of revenue. Match day revenue is mostly derived from gate receipts (including season tickets and memberships). This main reliance on match day

income is not the case anymore today. Nowadays, a large part of income is acquired by revenue derived from broadcast sources, commercial sources (sponsorship/merchandising), player transfer fees and non-football activities (Deloitte, 2010; Forbes, 2011 ;).

### **2.17. Business Model in Modern Football**

The finances of a club are an important factor for achievement in football. Empirical research specifies there is a positive relation between budget and team performance (Dejonghe, 2004). In order to examine the elements that contribute to increasing budgets and consequently success, the concept of cumulative causation by Myrdal can be applied. Myrdal devised the theory of cumulative causation with the aim of to explain the diverse development paths that areas and countries may follow. The concept was applied by Dejonghe (2004) to the football industry. Cumulative causation describes the unfolding of a series of indicators that are connected. When viewing the supply side, this is the quality of the service (quality of the football game). Regarding the demand side (the football consumer), alterations on the supply side often affect match-day earnings, proceeds from merchandising, sponsorship and media rights. This influence is mutual, i.e. changes on the demand side affect the supply side and vice versa. Many spectators in the stadium result in more money from sponsors and media, which can be invested in players which consequently increases the sport results and more spectators.

### **2.18 Business Strategy**

A business strategy focuses on a certain business field and identifies a proper approach to establish an advantageous position to compete. Another explanation of a business strategy is it focuses on a certain business unit and studies how to enhance its competitiveness, such as choosing a more attractive segmented market. From the perspective of business operations, there are different levels of strategies. Generally, academia categorizes strategies into Corporate Strategy, Business Strategy and Functional Area Strategy. The formulation of a business strategy requires taking the business objective, business capability, opportunities and threats of the market into consideration. The objective of this research is to discuss the relationships among the business environment, business strategies and the people. Porter (1980) divided business strategies into three kinds: differentiation strategy, low cost strategy

and focus strategy. Hagedoorn [11] and Gemünden et al. [8] discovered that businesses tend to cooperate with their upstream and downstream partners during product development. Sixotte and Langley [26] suggested that horizontal communication and data exchange across the departments could reduce uncertainties in the development process and improve development performance. Maamar and Shen think that as product design has become more complicated, designers must capitalize on knowledge to solve problems occurring in the design process. Therefore, cooperation between the business and its partners is the key to achieving the business objective, while collaborative design can help the design team share knowledge, discuss and coordinate. Lu and Yang [19] indicate in their research that industries nowadays are facing the fact that the life cycle of a product is becoming shorter. So, a business must contract the product development process and accelerate the launch of the product.

### **2.19. Time Factor in Strategic Planning**

Time may play an important role in determining the impact of strategic planning on the performance of the firm. Stubbart (1982) mentioned that any causal link between environmental scanning and organization performance must be a long and tenuous one. He also said that scanning of the business environment will have positive effects if a long time passes and timely actions yield good results. The longer the planning process has existed within the organization and the longer the time span covered by the plan, the more formalized the planning process tends to become (Crittenden and Crittenden, 2000).

### **2.20. Age of Owner-Manager**

Various studies have shown an association between age and inflexibility. For example, older managers tend to be more risk averse, whereas younger managers tend to pursue more risky, innovative growth strategies (Guthrie & Olian, 1991). Wiersema and Bantel (1992) found that firms undergoing strategic change were run by younger managers, and younger managers were more willing to bring up new and creative ideas than older managers. Therefore, youth should be positively associated with planning. Sorensen and Stuart (2000) suggested that, on balance, older firms have a wealth of organizational knowledge but that their older owners may be too stuck in their ways to respond to new innovative

opportunities. Bass (1991) stated that age has also been associated negatively with sensory and memory functions to integrate information in decision-making. Older managers might tend to avoid complexity in their decision-making by decreasing their information gathering and search for new ideas. In addition, a more educated person will exhibit a broader and more complex cognitive functioning, such as having a higher capacity for information processing. Recognizing the value of new information, assimilating it, and applying it to commercial ends are closely related to prior knowledge and skills (Cohen and Levinthal, 1990). Such knowledge and skills are acquired partly through education. Therefore, more highly educated managers are expected to have a greater need to gain a more thorough and complex understanding of a situation. Hence, education level should be positively associated with planning.

### **2.21 Integrated Marketing Communications (IMC)**

Hallahan (2007) defined integrated marketing communications as a “moniker to describe the coordinated use of a variety of different promotional communications tools toward a single objective” (p. 299). Hallahan noted that advertising agencies were initially attracted to the concept of IMC as a way to recapture client spending that was being dispersed into sponsorships, cause-related marketing, promotions and public relations (p. 300). Liodice (2008) noted IMC campaigns should “start with a compelling consumer insight that can be translated into a strong, differentiated marketing strategy.” For the sake of this Senior Project, IMC encapsulates the following: community relations, promotions, social media marketing, branding, fan expansion and identification of new publics.

### **2.22 Community Relations in Sport**

In Strategic Sport Communication, Pedersen, Miloch and Laucella (2007) noted that “one of the most overlooked elements of sport marketing public relations is community relations” (p. 276). Community relations is defined as “activities designed to enhance community relations efforts assist the sport-focused organization in cultivating mutually beneficial relationships with key constituents and audiences within the community” (Pedersen et al., p. 276). In Contemporary Sport Management, Janet, Jerome, Lucie, Parks, Thibault and Quarterman (2007) noted community relations activities and programs are intended to meet

the needs and interests of the public, and also establish “good-faith relationships with the public” (Janet, et al., p. 211). In addition, Pedersen et al. noted “community relations is an invaluable public relations tool, yet most sport organizations do not use community relations activities to the fullest benefit” (p. 276). Pedersen et al. noted community relations initiatives should be a priority because they create mutually beneficial relationships between the team and the community (p. 276). Irwin, Sutton and McCarthy (2002) noted that “community relations is the process of interaction and connection between the sport organization and its assets on the one hand and the community and the target population within the community on the other hand” (p. 266). “Sport organizations engage in a variety of community relations activities including food drives, reading programs and involvement with charitable organizations” (p. 276). Irwin et al. noted that sport-based community relations programs are “activity based and they depend on athletes and professionals from the organization for visibility, newsworthiness, desirability, buy-in, effectiveness and longevity” (p. 14). Today, sport teams operate as businesses with responsibilities to stakeholders, investors, sponsors and the community. Therefore, there is now, more than ever before, increasing expectation that sport and franchises assume greater responsibility for their operation and the impact of their operations on their community and their fans” (Hopwood et al., 2010, p. 69). Sports organizations rely on their local communities for supporters, employees and participants. When teams „give something back“ to their community, “they can generate goodwill through this involvement that can form political capital, they can keep in touch with local issues and needs and through the use of high-profile players they can deliver positive messages through the cluttered communication environment” (Hopwood et al., 2010, p. 88).

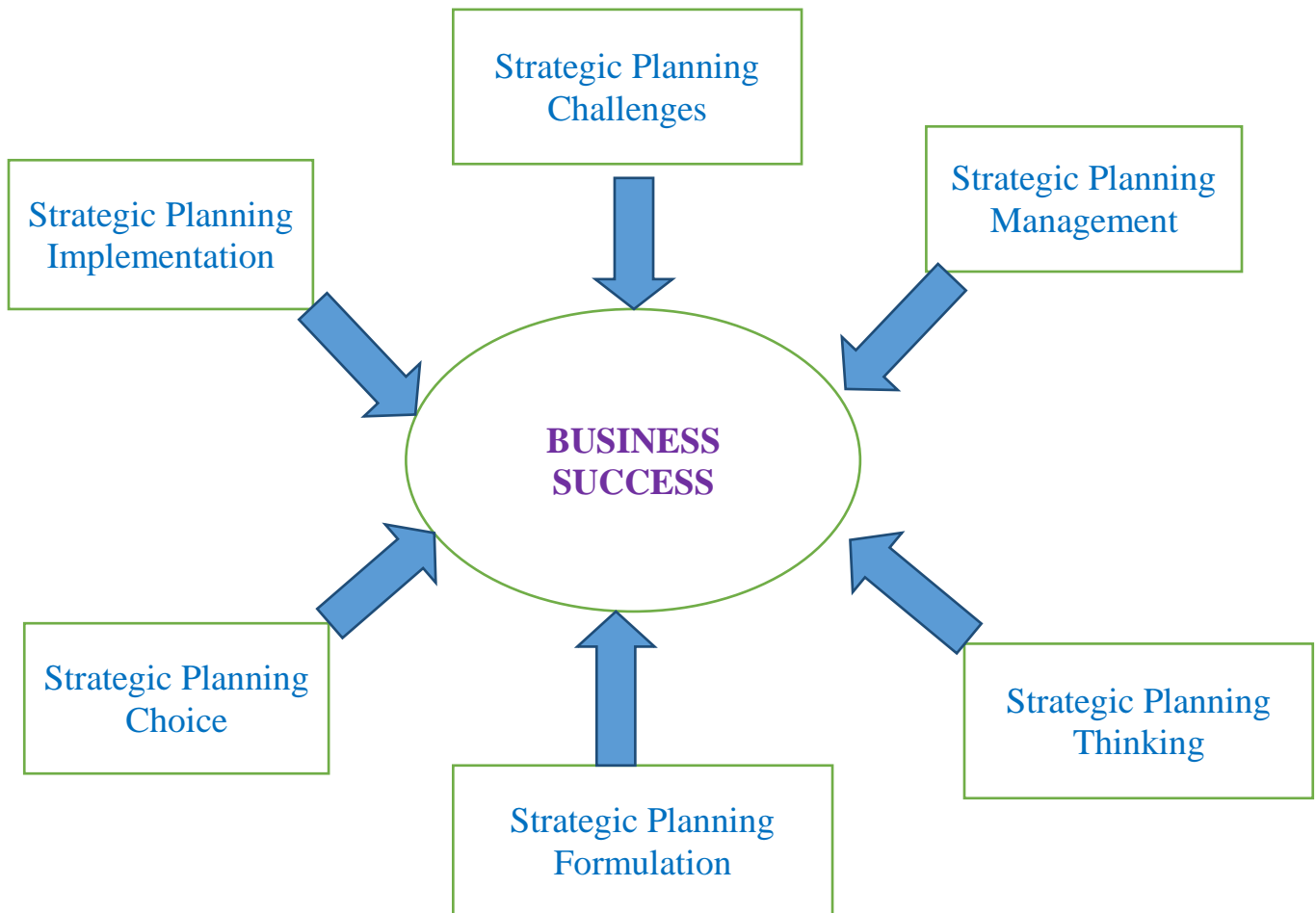
### **2.23. Social Media Marketing in Sport Clubs**

Scott (2010) defined social media as the collection of online technologies and tools intended for users to express their opinions online (p. 32). Scott noted: “social media differ from so-called mainstream media” in that anyone can create, comment on and add social media content. Social media can take the form of text, audio, video, images and communities” (p. 33). Scott noted that marketers can no longer rely on traditional mainstream media ways of getting their message to the public. Today, smart marketers “craft compelling information

and tell the world directly via the Web. The tremendous expense of relying on advertising to convince buyers to pay attention to your organization, ideas, products and services is yesterday's headache" (p. 35). In order to effectively and strategically use social media, sports teams must understand their goals and let content drive action. Scott recommends organizations ask two questions: what's the goal of your social media promotions? What problems do these promotions solve for your public? Companies that understand social media have a clearly defined business goal: "to sell products, to generate contributions, or to get people to vote or join (p. 33). According to Scott (2010), "great content in all forms helps buyers see that you and your organization „get it“. Content drives action" (p. 24). Scott noted that an effective web marketing and public relations strategy delivers "compelling content to buyers gets them to take action" (p. 34). Hopwood et al. (2010) noted social media provides teams more direct interaction with fans and other stakeholders (p. 140). In addition, sports managers and administrators have access to "greater information on what are the key issues faced by their audience; they have the ability to gain greater knowledge of the stakeholder base and tailor messages to support stronger relationships." Social media is becoming an increasingly important part of the way that Americans watch their spots" (Burstein, 2011). During the final minutes of Super Bowl XLV, fans sent more than 4,000 messages per second on Twitter (Burstein). Carter (2011) noted sports is the ultimate industry for social media because of content, fans and money: "there is always new content. Statistics, players, coaches, cheerleaders, mascots, team history and fans all provide a constant stream of fresh content." In addition, Carter notes that sports teams "have an extremely dedicated fan base that constantly craves information and loves to interact" (Carter). According to Downing (2010), social media provides ways for athletes, coaches, teams and leagues to effectively reach their fan base—as long as they have the right approach. "Just like anything else, the key with social media starts with having a goal" (Downing). Downing (2010) noted a team must use social media to promote conversation. The fundamental goals of social media for any team is to "encourage interaction, enhance brand awareness and reach fans where they are." Downing also suggested teams respond to questions, complaints and criticisms of the fan base, and find ways to encourage fans to celebrate the successes of the team.



**Figure 3 Conceptual frameworks on effect of current strategic planning on the success of southern Ethiopia premier league football clubs.**



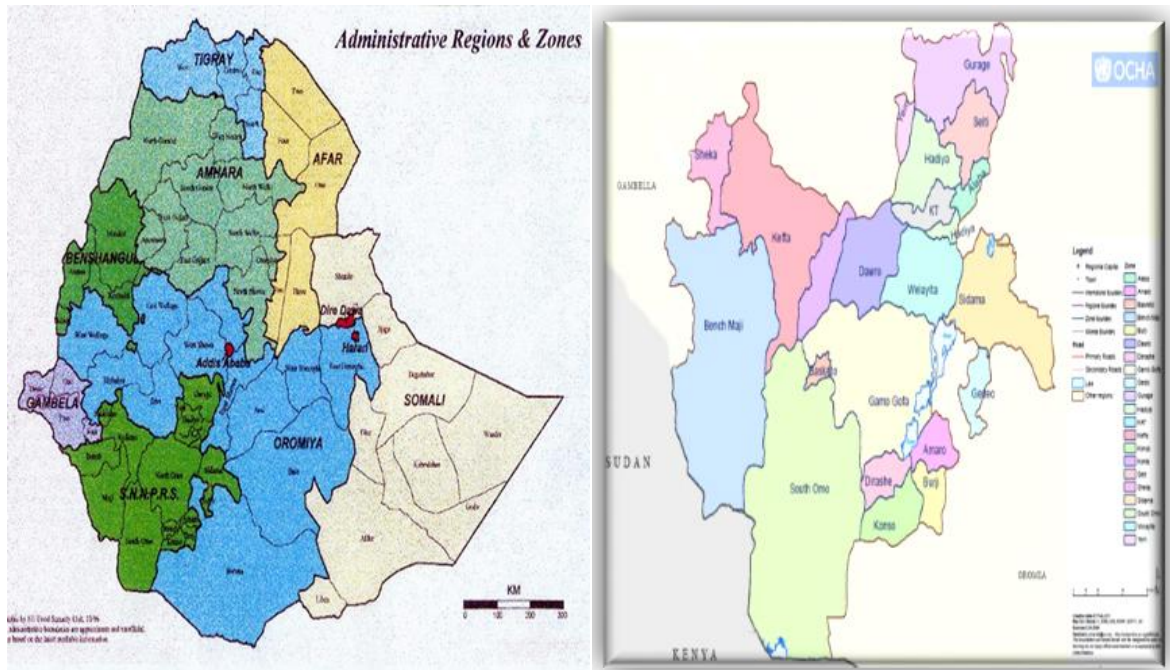
## CHAPTER THREE

### MATERIAL AND METHOD

#### 3.1 Study Area

One of the major zones in Southern Nations, Nationalities and Peoples Region (SNNPR), Hadiya Zone is located in the northern part of the Southern region of Ethiopia. Its capital, Hosanna, is 250 kilo-meters south of Addis Ababa. Arba Minch is a city and separate woreda in southern Ethiopia; the first common name for this city was Ganta Garo. Located in the Gamo Gofa Zone of the Southern Nations, Nationalities, and Peoples Region about 500 kilometers south of Addis Ababa, at an elevation of 1285 meters above sea level. It is the largest town in Gamo Gofa Zone and the second town in SNNPR next to Awasa. It is surrounded by Arba Minch Zuria woreda.

Yirgalem, Southern Nations, Nationalities, and People's Region, Ethiopia. It Ends at Hawassa, Ethiopia.35 Km - Flight distance between Yirgalem and Hawassa. Wolayta Sodo is a town and separate woreda in south-central Ethiopia. The administrative center of the Wolayta Zone of the Southern Nations, Nationalities, and Peoples Region, it has a latitude and longitude of 6°54'N 37°45'E with an elevation between Templates: Convert above sea level. Awasa (also spelled Awasa or Hawassa) is a city in Ethiopia, on the shores of Lake Awasa in the Great Rift Valley. It is located 270 km south of Addis Ababa via Debre Zeit, 130 km east of Sodo, and 75 km north of Dila. The town serves as the capital of the Southern Nations, Nationalities, and Peoples' Region, and is a special zone of this region (*source central statistics of Ethiopia*)



**Figure 3.1 South nation nationality and people regional government of Ethiopia**

### 3.2 Study Design

Cross-sectional study design carried out at one time point or over a short period to examine current strategic planning of southern Ethiopia primer league implication on business success.

### 3.3 Study Population

The study population was 150 (30×5) players in five (05) clubs. From the each clubs 28 players were selected as the subject for this study. So the total selected players for this study were (28×5=140). The total population of coaches and administrators was 20 (04×5). For the purpose of this study all 20 (04×5) coaches and administrators were also taken as the subjects using purposive sampling technique.

### 4 Sample Size Determination and Sampling Techniques

Selecting an appropriate research procedure is crucial for any researcher, since it guides the process for collecting the desired data.

$$n_0 = \frac{Z^2 pq}{e^2} \quad (\text{According to Cochran (1963:75), who formulated the equation})$$

Where  $n_0$  is an adjustment sample size,

$Z = Z_{\alpha/2}$  is the test statistic of standard normal distribution at significance level of  $\alpha$ .

$e$  is the margin of error,

$P$  is the estimated proportion of an attribute that is present in the population, and  $q = 1 - p$  estimated proportion of an attribute that is absent in the population.

In our case we have 95% desired confidence level with margin error 5% and  $Z$  is 1.96 from statistical tables,  $p = q = 0.5$  assumed equal proportion.

$$n_0 = \frac{1.96^2(0.5)(0.5)}{0.05^2} = 384.16$$

For Hadiya hosanna football club sample size is

Hence,  $n_0 = 384.16$  which is un adjusted

$$\text{Since the ratio } \frac{n_0}{N} > 5\% \text{ , i.e. } \frac{384}{25} = 15.36 > 5\%$$

$$n = \frac{n_0}{1 + \frac{n_0}{N}}$$

$$n = \frac{384}{1 + \frac{384}{30}} = 27.8$$

, Which is equal to 28 sample players for each SEPLCS?

Then, the determine ( $n=28$ ) sample players were selected by using simple random sampling and The researcher used purposive sampling for coaches and club administrative of each club which contain two(2) coach and 2 club administrative for each club totally 20 coach and club administrative of SEPLC.

### 3.5 Subject of the Study

The subject for this study found in south Ethiopia premier league football clubs, (Hadiya Hosanna, Sidama Buna, Hawassa city, Arba Minch city and Wolayta Dicha.) Player

(n=30) from each club. Totally, there was (30 player×5 clubs) which is (150 players).Coach and administrative leader was (4 coach and administrative) from each club. Therefore, 20 coaches and administrators were taken as the subject of this study.

### **3.6. Sources of Data**

Both primary and secondary data were sourced and utilized for purposes of addressing the research objectives. Secondary data was extracted from existing published and unpublished records such as annual reports. Primary data was collected on strategic planning process and also on some performance indicators using the likert type scale. Main data collection instrument was a questionnaire. Football club managers, coach and players) were the study's key target respondents. The researcher managed to check list for football clubs to review document analysis.

### **3.7. Instruments**

The instrument of primary data collection method were standard questionnaires that measure the effect of current strategic planning ([www. Sport community.com.au/WP content/download/2013/.../strategic planning](http://www.Sportcommunity.com.au/WPcontent/download/2013/.../strategicplanning)) assessed on January 16/2016. The questionnaires adopted according to the title. The instrument of secondary data collection method were document analyses that measure the business success of south Ethiopia premier league football clubs. The questionnaires that measure document analysis in business success derived from researcher used by Bibi Zaheenah Chummu (2012) on title evaluating business success in the Micro insurance industry of South Africa. The researcher modifying some questionnaires according to title current strategic planning of south Ethiopia premier league: implication on business success.

### **3.8. Methods of Data Analysis**

The study analyzed by using descriptive statistics, such as standard deviation, mean, frequency counts used to determine observation of respondents. In addition to this, and spearman rank order correlation coefficient used to show the relationship between strategic planning and business success of football clubs. The main aim of the data analysis was to determine the extent to which strategic planning practices implication or not on the business success of football clubs in the south Ethiopian male premier league clubs. Finally simple

regression analysis employed to explore whether strategic planning significantly affects or not on business success of SEPLC. Finally qualitative data analysis employed document analysis of south Ethiopian male premier league football clubs.

### 3.9. Identification of Variables

These studies contain independent and dependent variables. Dependent variables of this study is business Success of south Ethiopia male Primer League Football Clubs, which is depend on the effect of current strategic planning.

#### 3.9.1 Predictor (independent) Variables

**Table 1 identification of variables**

No.	Name	values/ codes
1	Strategic planning challenge	1=strongly disagree 2 disagree,3 neutral,4 agree 5, strongly disagree
2	Strategic planning management	
3	Strategic planning thinking	
4	Strategic planning formulation	
5	Strategic planning choice	
6	Strategic planning implementation	
7	Business success (predict or dependent) variable.	1=having,2,not having 3,strongly having 4,middum,5 small

### 3.10. Ethical Issues and Code of Conduct

The study deals with the ethical issues; it can protect the privacy of research participants and make guarantees and confidentiality in risk of harm as a result of their participation. Therefore, the study conducted according to Jimma University rules, policies and codes relating to research ethics. The protocol approved by the University guidelines, and written consent given and inform to the concerned bodies. Permission obtained from the football clubs to have the necessary data from the clubs. Then an informed verbal consent received from each study subjects and anyone who have not be willing to take part in the study have full right to do so.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### 4.1 Results

##### 4.1.1 Background of Respondents

**Table 1 Admintrative Demography**

<b>Name of clubs</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Hawassa	4	20.0	20.0	20.0
Sidama Buna	4	20.0	20.0	40.0
Wolayita dicha	4	20.0	20.0	60.0
Areba minch city	4	20.0	20.0	80.0
Hadiya Hosanna	4	20.0	20.0	100.0
Total	20	100.0	100.0	
<b>sex of respondents</b>				
Male	18	90.0	90.0	90.0
Female	2	10.0	10.0	100.0
Total	20	100.0	100.0	
<b>Age of respondents</b>				
18-30	5	25.0	25.0	25.0
30-40	10	50.0	50.0	75.0
40-50	3	15.0	15.0	90.0
50-60	2	10.0	10.0	100.0
Total	20	100.0	100.0	
<b>Role of respondents</b>				
Managers	10	50.0	50.0	50.0
Vice managers	7	35.0	35.0	85.0
Secretary	2	10.0	10.0	95.0
higher managers	1	5.0	5.0	100.0
Total	20	100.0	100.0	

In table 1 show that managers found in five clubs were (N=4) 20% of respondents were equally distributed in each five clubs. In case of Sex (N=18) 90% of respondents were responded that they are male and (N=2) 10% were responded that they are females.

Age of respondents seen in table that (N=5) 25% responded that age of 18-30, (N=10)50% were responded that age of 30-40, (N=3) 15% respondents found age of 40-50 and (N=2) respondents found age of 50-60.

Role of managers in their clubs (N=10) 50% were respond that they are managers (N=7) 35% were respondents responded that vice managers, (N=2) 10% were respondents responded that secretary and in case of other burden higher managers were very small (N=1) 5% respondents responded that as higher managers.



**Table 2 Players Demography**

<b>Name of clubs</b>				
	Frequency	Percent	Valid Percent	Cumulative Percent
Hawassa city FC	28	20.0	20.0	20.0
Sidama Buna FC	28	20.0	20.0	40.0
Wolayita dica FC	28	20.0	20.0	60.0
Arba minch city FC	28	20.0	20.0	80.0
Hadiya Hosanna FC	28	20.0	20.0	100.0
Total	140	100.0	100.0	
<b>Sex</b>				
Valid	male	140	100.0	100.0
<b>Age</b>				
18-30	122	87.1	87.1	87.1
30-40	18	12.9	12.9	100.0
Total	140	100.0	100.0	
<b>What is your role in your clubs</b>				
Valid	players	140	100.0	100.0

In table 2 showed that name of clubs distributed equally for each football clubs (N=28) 20% of respondents responded that the name their football clubs. In case of Sex of respondents responded that (N=140) 100% of respondents responded that they are male.

Age of respondents (N=122) 97.1% were responded that age in range of 18-30, (N=18) 12.9% respondents responded that age range between 30-40. The role of respondents found in each clubs were (N=140)100% respondents responded that they are players.

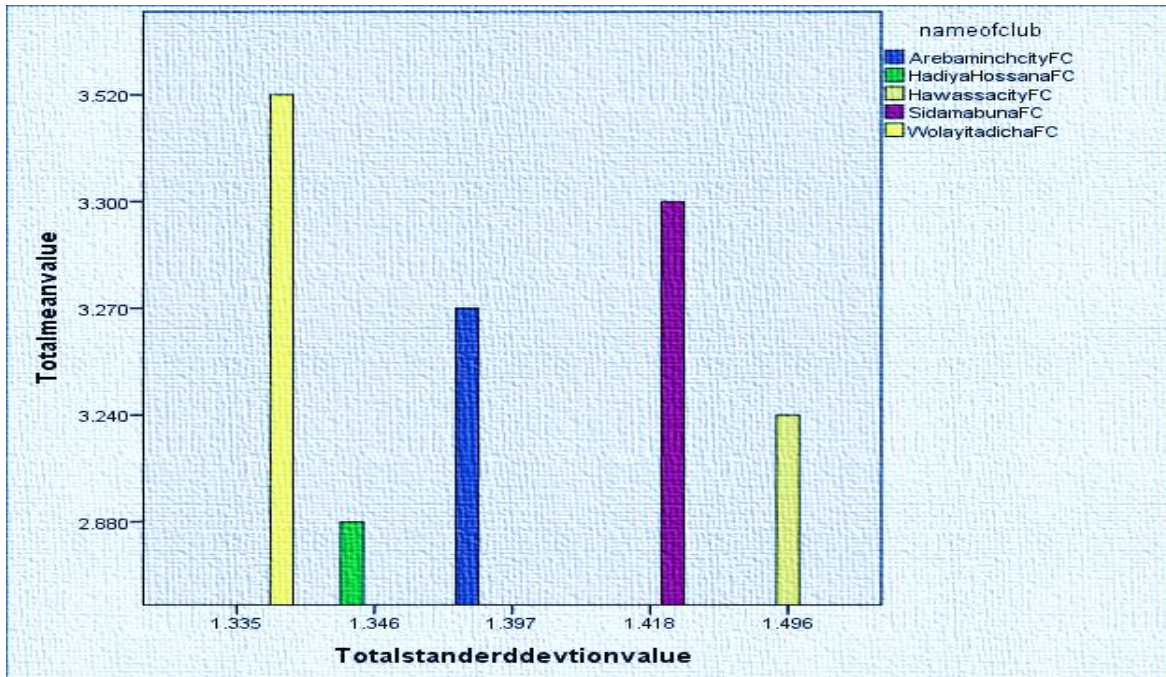
#### 4.1.2 Descriptive statistics

Table 5 Descriptive statistics of strategic planning and business success

No	Name of clubs		SPC	SPM	SPT	SPF	SPCH	SPI	BS
1	<b>Hawassa City FC</b>	Mean	2.25	2.50	3.50	2.75	2.50	3.75	1.94
		N	32	32	32	32	32	32	32
		SD	1.258	1.732	1.000	1.500	1.291	.500	1.413
2	<b>Sidama Buna FC</b>	Mean	3.13	3.63	3.72	3.34	3.25	2.63	4.16
		N	32	32	32	32	32	32	32
		SD	1.601	1.245	1.301	1.405	1.218	1.289	1.139
3	<b>Wolayita Dicha FC</b>	Mean	3.46	3.07	3.46	3.39	2.71	3.39	3.69
		N	32	32	32	32	32	32	32
		SD	1.261	1.387	1.201	1.397	1.436	1.397	1.355
4	<b>Areba Minch city FC</b>	Mean	3.50	3.47	5.00	1.50	2.00	3.50	2.22
		N	32	32	32	32	32	32	32
		SD	2.121	1.365	0.000	.707	1.414	2.121	1.431
5	<b>Hadiya Hosanna FC</b>	Mean	3.33	3.50	3.06	3.25	2.63	2.88	2.93
		N	32	32	32	32	32	32	32
		SD	1.871	1.421	1.652	1.390	1.408	1.586	1.661
	<b>Total</b>	Mean	3.24	3.30	3.52	3.27	2.88	3.01	2.93
		N	160	160	160	160	160	160	160
		SD	1.496	1.418	1.335	1.397	1.346	1.401	1.635

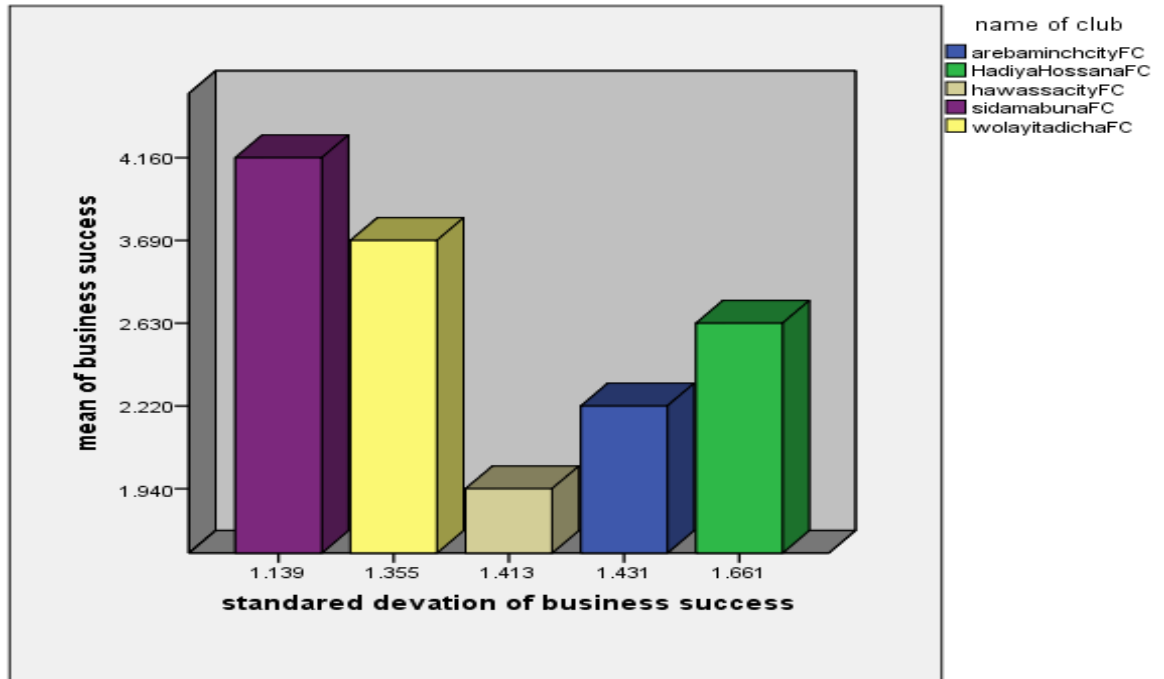
**SPC**=Strategic Planning Challenge, **SPM**=strategic planning management, **SPT**, strategic planning thinking, **SPF**, strategic planning formulation, **SPCH**, strategic planning choice, **SPI**, strategic planning implementation. It is revealed from Table 5 that the mean value of strategic planning and business success. As indicated in above table the mean value of strategic planning challenge in Hawassa city FC, Sidama Buna FC, Wolayita dicha FC, Arebaminch city FC and Hadiyahosanna city FC were 2.25,3.3,13.46,3.50,3.33 and 3.24 respectively. In case of mean value of strategic planning management in Hawassa FC were (M=2.50), Sidama Buna (M=3.63), Wolayita dicha (M=3.07), ArebaMinch city FC (M=3.47) and Hadiya hosanna FC (M=3.50).strategic planning thinking mean value in Hawassa city FC were (M=3.50), SidamaBuna FC (M=3.72).Wolayita dicha (M=3.46), ArebaMinch city FC (M=3.47), Hadiyahosanna (M=3.06). Mean value of strategic planning formulation Hawassa city FC (M=2.75), SidamaBuna FC (M=3.34), Wolayita dicha FC (M=3.39), ArebaMinch city FC (M=1.50), Hadiya hosanna FC 3.25.the mean value of strategic planning choice were Hawassa city FC (M=2.50),Sidama Buna FC (M=3.25),Wolayita dicha FC (M=2.71),Arebaminch city FC (M=2.00) and Hadiya hosanna FC (M=2.63).strategic planning implementation mean value in case of Hawassa city FC (M=3.75),Sidama Buna FC (M=2.63),Wolayita dicha FC (M=3.39),Arebaminch city FC (M=3.50),Hadiya hosanna FC(M= 2.88).In case of dependent variable mean value of business success in Hawassa city FC (M=1.94), Sidama Buna city FC (M=4.16), Wolayita dicha FC (M=3.69), Arebaminch city FC (M=2.22), Hadiya hosanna city FC (M=2.63).In generally mean value indicate that the average responses in category of strategic planning and business success of five clubs and the standard deviation provides some idea about the distribution of scores around the mean (average). The smaller the standard deviation, the more narrow the range between the lowest and highest scores.

**Figure 5 Bar graph of total mean and standard deviation value of strategic planning and business success of clubs.**



The above Bar graph show that mean and standard deviation total value of category of strategic planning strategic planning challenge, strategic planning management, strategic planning thinking, strategic planning formulation, strategic planning choice and strategic planning implementation. Business success of five clubs. As information in graph the least standard deviation have highest average values found in Wolayita dica football clubs (M=1.33). Mean value of Hadiya hosanna (M=2.680), Arba Minch city (M=3.270), Sidama buna FC (M=3.300) and Hawassa city (M=3.240) respectively.

**Figure 6 Bar graph of total mean and standard deviation value of (predict) business success of clubs.**



It is cleared from figure 7 show that dependent variable (business success) mean value of Arebaminch city FC, Hadiya Hosanna FC, Hawassa city FC, Sidama buna FC and Wolayita Dicha FC. Were 1.94, 2.22, 2.2.63, 3.69 and 4.16 respectively.

### 4.1.3 Correlation of strategic planning and business success

**Table 6 Correlation (r) for the relationship between category of strategic planning and business success.**

<b>Correlations</b>				
			Business success	Strategicplanning challenge
Spearman's rho	Business success	Cor. Coefficient	1.000	0.595**
		Sig. (2-tailed)		0.000
	Strategicplanningchallenge	Cor. Coefficient	0.595**	1.000
		Sig. (2-tailed)	0.000	.
<b>1</b>	Business success	Cor. Coefficient	1.000	0.485**
		Sig. (2-tailed)	-	0.000
<b>2</b>	Strategic planning management	Cor. Coefficient	0.485**	1.000
		Sig. (2-tailed)	0.000	-
	business success	Cor. Coefficient	1.000	0.610**
		Sig. (2-tailed)	-	0.000
<b>3</b>	Strategic planning thinking	Cor. Coefficient	0.610**	1.000
		Sig. (2-tailed)	0.000	-
	Business success	Cor. Coefficient	1.000	0.608**
		Sig. (2-tailed)	-	0.000
<b>4</b>	Strategic planning formulation	Cor. Coefficient	0.608**	1.000
		Sig. (2-tailed)	0.000	-
	Business success	Cor. Coefficient	1.000	.604**
		Sig. (2-tailed)	-	.000
<b>5</b>	Strategic planning choice	Cor. Coefficient	.604**	1.000
		Sig. (2-tailed)	0.000	-
	Business success	Cor. Coefficient	1.000	.603**
		Sig. (2-tailed)	-	.000
<b>6</b>	Strategic planning implementation	Cor. Coefficient	0.603**	1.000
		Sig. (2-tailed)	0.000	-
		N	160	160

\*\*Correlation is significant at the 0.01 level (2-tailed).

It is documented from Table 6 show that  $r=0.595$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning challenge and business success. The correlation show that ( $r=.485^{**}$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning management and business success. The correlation significant at  $p<0.01$ . The results presented the value ( $r=0.610^{**}$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning thinking and business success.

The correlation significant at  $p<0.01$ . The results presented in Table 6 show that ( $r=0.608^{**}$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning formulation and business success. The correlation significant at  $p<0.01$ .

The correlation show that ( $r=.604^{**}$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning choice and business success. The correlation significant at  $p<0.01$ . The value show that ( $r=.604^{**}$ ) a strong positive correlation was found between the two variables at 0.01 significant level (2-tailed). The results confirm the association between the strategic planning implementation and business success. The correlation significant at  $p<0.01$ .

#### 4.1.4 Result of strategic planning and business success in Linear Regression model

##### 4.1.4.1 Multivariate regression analysis

**Table 7 Model Summary of Multi variant regration analysis and interpretation**

**Model Summary**

S.No.	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	Strategic planning challenge	0.565 <sup>a</sup>	0.319	0.319	1.399
2	Strategic planning management	0.455	0.207	0.206	1.511
3	Strategic planning thinking	0.584	0.342	0.341	1.376
4	Strategic planning formulation	0.584	0.341	0.341	1.376
5	Strategic planning choice	0.570	0.325	0.325	1.393
6	Strategic planning implementation	0.574	0.329	0.329	1.389

It is showed from table 7 the R square value was 0.319. This implies that strategic planning challenge accounts for 31.9 Percent of business success of clubs. The remaining 68.1 percent are as a result of other factors not considered and the error term. A value of f1.399 or the standard error of the estimate indicates a 139.9 percent deviation.

The R square value was .207. This implies that strategic planning management accounts for 20.7 Percent of business success of clubs. The remaining 79.3 percent are as a result of other factors not considered and the error term. A value of 1.511 or the standard error of the estimate



indicates a 151.1 percent deviation. The R square value was .342. This implies that strategic thinking accounts for 34.2 Percent of business success of clubs. The remaining 65.8 percent are as a result of other factors not considered and the error term. A value of 1.376 for the standard error of the estimate indicates a 137.6 percent deviation. In case of strategic planning formulation The R square value was .341. This implies that accounts for 34.1 Percent of business success of clubs. The remaining 65.9 percent are as a result of other factors not considered and the error term. A value of 1.376 for the standard error of the estimate indicates a 137.6 percent deviation. The R square value was .325. This implies that strategic planning choice accounts for 32.5 Percent of business success of clubs. The remaining 67.5 percent are as a result of other factors not considered and the error term. A value of 1.393 for the standard error of the estimate indicates a 139.3 percent deviation. The R square value was .329. This implies that strategic planning implementation accounts for 32.9 Percent of business success of clubs. The remaining 41.6 percent are as a result of other factors not considered and the error term. A value of 1.389 for the standard error of the estimate indicates a 138.9 percent deviation.

**Table 8 ANOVA<sup>a</sup> of Multi variant regression analysis and interpretation**

No	ANOVA <sup>a</sup>					
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Strategic challenge	Regression	1	2933.090	2933.090	.000b
		Residual	3197	1.959	1.959	
2	Strategic planning management	9194.428	1	1899.5	832.463	.000
		1899.515	3197	2.282		
			3198			
3	Strategic planning thinking	3140.224	1	3140.224	1658.235	.000
		6054.204	3197	1.894		
		9194.428	3198			
4	Strategic planning formulation	3138.295	1	3138.295	1656.689	.000
		6056.133	3197	1.894		
		9194.428	3198			
		2987.003				
5	Strategic planning	6207.425	1	2987.003	1538.391	.000

	choice	9194.428	3197 3198	1.942		
6	Strategicplanning implementation	3027.757 6166.671 9194.428	1 3197 3198	3027.757 1.929	1569.687	.000

As seen in the above ANOVA table the model, the F value of 1497.617 reflected strategic planning challenge is a significance Level of .000<sup>b</sup>, which in turn means that the test statistic is significant at that level. In case of strategic planning formulation ANOVA table the model, the F value of 832.463 reflected strategic planning management is a significance Level of .000, which in turn means that the test statistic is significant at that level. As seen in the ANOVA table the model, the F value of 1658.235 reflected strategic planning thinking is a significance Level of .000, which in turn means that the test statistic is significant at that level. As seen in the above ANOVA table the model, the F value of 1656.689 reflected i strategic planning formulation s a significance Level of .000, which in turn means that the test statistic is significant at that level. As seen in the ANOVA table the model, the F value of 1538.391 reflected strategic planning choice is a significance Level of .000, which in turn means that the test statistic is significant at that level. As seen in the ANOVA table the model, the F value of 1569.687 reflected strategic planning choice is a significance Level of .000, which in turn means that the test statistic is significant at that level.

**Table 9 Coefficients of Multivariate Regration and Analysis**

Coefficients <sup>a</sup>						
	Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
	(Constant)	2.085	.032	.553	65.331	.000
1	Strategicplanningchallenge	0.476	.013	-.565	37.573	.000

	(Constant)	2.366	.031		66.584	.000
2	Strategic planning management	.431	.015	.462	32.145	.000
	(Constant)	2.366	.031		76.484	.000
3	Strategic planning thinking	.431	.015	.575	29.461	.000
	constant	1.976	.033		60.797	.000
4	Strategic planning formulation	.494	.012	.578	40.046	.000
	constant	2.019	.033		61.358	.000
5	Strategic planning choice	.507	.013	.561	38.663	.000
	constant	2.006	.033		61.358	.000
6	Strategic planning implementation	.499	.013	.564	38.663	.000

From the table, 9 as a unit increase strategic planning challenge business success decrease at  $-.565$  beta value. We see that the statements "strategic planning challenge" affects business success "strategic planning challenge" revealed negative beta values of  $-.565$  this implying that there was a negative significant relationship between strategic planning challenge and business success of football clubs in South Ethiopia premier league. From the table, 9 as a unit increase strategic planning management at  $.462$  beta value. We see that the statements "strategic planning management" affects business success "strategic planning management" revealed positive beta values of  $.462$  this implying that there was a positive significant relationship between strategic planning management and business success of football clubs in South Ethiopia premier league.

From the table, 9 as a unit increase strategic planning thinking  $.575$  beta value. We see that the statements "strategic planning thinking" affects business success. "Strategic planning management" revealed positive beta values of  $.575$  this implying that there was a positive significant relationship between strategic planning thinking and business success of football clubs in South Ethiopia premier league. From the table, 9 as a unit increase strategic planning formulation at  $.578$  beta value. We see that the statements "strategic planning formulation" affects business success "strategic planning formulation" revealed positive beta values of

.578, this implying that there was a positive significant relationship between strategic planning formulation and business success of football clubs in South Ethiopia premier league. From the table, 9 as a unit increase strategic planning choice at .561 beta value. We see that the statements "strategic planning choice" affects business success "strategic planning formulation" revealed positive beta values of .561, this implying that there was a positive significant relationship between strategic planning choice and business success of football clubs in South Ethiopia premier league. From the table, as a unit increase strategic planning implementation at .564 beta value. We see that the statements "strategic planning implementation" affects business success "strategic planning implementation" revealed positive beta values of .564, this implying that there was a positive significant relationship between strategic planning implementation and business success of football clubs in South Ethiopia premier league.

#### 4.1.4.2 Univariate regression analysis

**Table 10 Model Summary of univariate regression analysis and interpretation**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.639a	.409	.408	1.300

Predictors: (Constant), strategic planning implementation, strategic planning, strategic planning challenge, strategic planning choice, strategic planning thinking, strategic planning formulation. The R square value was .409. This implies that strategic planning accounts for 40.9 percent of business success in football clubs. The remaining 59.1 percent are as a result of other factors not considered and the error term. R square value indicate that the goodness of fit and a Measures the proportion of variability in the response explained by the model, value of 1.300 for the standard error of the estimate indicates a 130 percent deviation. The R-square value show that .409 this implies 40.9 it measures the proportion or percentage of the total variation and it shows strategic planning affect business success in south Ethiopia male premier league football clubs. The value of .409 show that strategic planning weak effect on the business in south Ethiopian male premier league clubs and

according to the data gathered, this shows that there is weak practice of strategic planning in business success in south Ethiopia male premier league football clubs.

**Table 11 ANOVA<sup>a</sup> of multi variant regration analysis and interpretation**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3727.238	6	621.206	367.685	.000b
Residual	5392.911	3192	1.690	Residual	
Total	9120.148	3198			

a. Dependent Variable: business success

b. Predictors: (Constant), strategic planning implementation, strategicplanning, strategicplanningchallenge, strategic planning choice, strategic planning thinking, strategic planning formulationAs seen in the ANOVA table411 above show that the model, the F value of 367.685 reflected a significance level of 0.000, which in turn means that the test statistic is significant at that level. This implies that “Strategic planning is great helpful for explaining business success.” or “There is linear relationship between strategic planning and business success.

**Table 12 Coefficients of Univariant Regration analysis and Interpretation  
Coefficients<sup>a</sup>**

No	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig
		B	Std. Error	Beta		
	(Constant)	1.807	.032	0.132	56.628	.000
1	strategicplanningchallenge	.113	.019	-0.132	5.827	.000

2	strategicplanning	.097	.017	.104	5.850	.000
3	strategicplanningthinking	.125	.022	.147	5.642	.000
4	strategicplanningformulation	.116	.023	.135	5.147	.000
5	strategicplanningchoise	.097	.022	.108	4.317	.000
6	strategicplanningimplementa tion	.101	.022	.115	4.548	.000

a .Dependent Variable: business success

From the table, 12 we see that the statement “strategic planning challenge” revealed negative beta value of -0.132, implying that there was a negative significant relationship between strategic planning challenge and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning challenge business success decrease at -0.132 beta values. From the table, we see that the statement “strategic planning management” revealed that positive beta value of 0.104, implying that there was a positive significant relationship between strategic planning management and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning management, business success increase at 0.104 beta values. From the table, we see that the statement “strategic planning thinking” revealed that positive beta value of 0.147, implying that there was a positive significant relationship between strategic planning thinking and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning thinking, business success increase at 0.147 beta values. From the table, we see that the statement “strategic planning formulation” revealed that positive beta value of 0.135, implying that there was a positive significant relationship between strategic planning formulation and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning formulation, business success increase at 0.135 beta values. From the table, we see that the statement “strategic planning choice” revealed that positive beta value of 0.108, implying that there was a positive significant relationship between strategic planning management and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning choice, also business success increase at 0.108 beta values. From the table, we see that the statement “strategic planning

implementation” revealed that positive beta value of 0.115, implying that there was a positive significant relationship between strategic planning implementation and business success of football clubs in south Ethiopia male premier league football clubs. And as a unit increase strategic planning implementation, business success increase at 0.115 beta values levels.

#### **4.1.5 Qualitative Data Analysis**

##### **4.1.5.1 Document Analysis**

The data was gathered by searching on the Physical Evidence and annual report of the south Ethiopia male premier league club.

#### **1. Hawassa city Football club**

Hawassa City FC is an Ethiopian football club based in Hawassa. They are a member of the Ethiopian Football Federation national league. Their home stadium is Hawassa Kenema Stadium. Hawassa lifted the trophy in the 2003/2004 season beating Nyala SC, and picked up the FA cup in the following season. Hawassa City FC club is a member of the Ethiopian Football Federation national league. Hawassa city FC administered by boards separately from the youth and sport offices.

##### **1.1 Club ownership**

Hawassa city FC have not structured as a business company. The owners in community handout. There is no form of member individual ownership at the club. Business and football had become separable. Sporting events were sponsored by some time by few local businessmen. Most of supporting come from people and the government funds.

##### **1.2 business success**

To achieve business success the need of commercialization in Hawassa city FC is not many. They participate most of the time participate in sale of club t-shirts during game days. They get profit from young players from Hawassa city FC- B by transferring to another clubs. Generally they have no business strategy for good commercialization. Hawassa city FC

currently top payment for players for team captain amele shegaw tadese for two year contractual sign up to 1 million birr.

**Table 13 1Hawassa city FC revenue outline in averages (2016).**

	Season 2016
<b>Per Match day income</b>	200,000 birr
<b>Commercial</b>	150,000 birr
<b>Net total income/revenue</b>	Around 20 million birr
<b>Broadcasting</b>	-
<b>Club have commercial</b>	Around 150,000birr
<b>sponsors</b>	Around 100,000birr

The club have no way to get business with the plans.as annual report show that there is no evidences about profit and loses.The club was late into social media and was worried about how to deal with social media as a football organization. Hawassa city FChave no a Facebook site but the club is cautious about too much commercialization on Facebook. It has determined not to have sponsored links down the right hand side or any Hawassa city FC commercial statements. The big concern is that if it get wrong that the fan base will stop growing.” The club does not make use of Twitter because of similar motivations. The club took a big step by launching its own complete social network, aimed at its worldwide viewers and Ethiopian citizens which is live in outside country.

### **1.3 Participation of supporters in business success**

Supporters have held various action campaigns against the increasing stock market plans of the club(The Mirror, 2012).In Hawassa city FC there is no fans view the stock market flotation, as well as no participating in club commercialization. The only thing they



participate in the buying the t-shirts of Hawassa city FC. The clubs stadium ticket was considering the socio-economic states of the society.

**Figure 7 Hawassa City Football club players (2011-2012)**



## **2. Sidama coffee Football club**

Sidama coffee Football club is an Ethiopian football club based in Yirgalem city. They are a member of the Ethiopian Football Federation national league. Their home stadium is Yirgalem Kenema Stadium.

## 2.1 Club ownership

Sidama Buna FC is not structured as a business company. The owners in community based. There is no form of member individual ownership at the club. Business and football had become separable. Sporting events were sponsored by some time by few local businessmen. Most of supporting come from people and the government funds.

## 2.2 business success

In their positioning the clubs tries to stay away from the wildly commercial reputation. Like to other south Ethiopian male premier league football clubs Sidama Buna have no special commercial strategy for business success.

Sidama Buna have get business supports from the Sidama coffee farmer association and Sidama development association. Club have get additional supports from sponsorships not formal it is occasional. Sidama Buna FC participate in commercialization of t-shirts of clubs for fan and supporters.

**Table 14 Sidama Buna FC revenue outline in averages (2016).**

<b>Business revenue</b>	Season 2016
<b>Per Match day income</b>	Around 200,000 birr
<b>Commercial</b>	125,000 birr
<b>Net total income/revenue</b>	Around 22 million birr
<b>Broadcasting</b>	-
<b>Club have commercial way</b>	-250,000
<b>Sponsors and supporters</b>	Around 500,000birr

As showed in report in Sidama Bunna there is no organized strategic plan for the business. The club used traditional ways of getting the business and they have no enough awareness for how much profit and loss of club per year. And there is no planned business revenue. Sidama Buna FC top payment for contractual sign up to 900,000 for two years and with additional benefits. In the annual report the clubs have plan for the coming years new contract stadium in yirgalem town in around 10 million birr.

### **2.3 Participation of supporters in business success**

Supporters have held various action campaigns against the increasing stock market plans of the club (The Mirror, 2012). In Sidama Buna FC there is no fans view the stock market flotation, as well as no participating in club commercialization. Supporters participate in the buying the t-shirts of Sidama Buna FC. The clubs stadium ticket was considering the socio-economic states of the society. The two supporters of Sidama Buna FC were Sidama Buna farmer association, Sidama development association and other sponsors. In general Sidama Buna FC have no modern way of business strategy for business revenue some traditional way of commercialization to get business revenue.

**Figure 8 Sidama coffee football club players (2011-2012)**



### **3. Arebaminch city football club**

Arebaminch kenema football club is one of established Ethiopian football club from southern region of Ethiopia, based in Arebaminch town. During the time club enter to the premier league won the cup of national league. They are a member of the Ethiopian football federation national premier league. Their home stadium is Arebaminch stadium.

### 3.1 Club ownership

Like to other south Ethiopian premier league clubs Arebaminch city FC is not structured as a business company. The owners in community based. There is no form of member individual ownership at the club. Business and football had become separable. Sporting events were sponsored by some time by few local businessmen. Most of supporting come from people and the government funds.

### 3.2 business success

Arba Minch city FC, owned and funded by governmental institutions the club is striving to be a public team and is working to change its huge fun base to cash. Yet it is still dependent on its overseer, the Gamo Gofa Zone Administration. In preparation for the previous season the club has spent 3.2 million birr for transfers and extending contract, with a 400,000 birr highest payment for a single player The Club has also allocated 11 million birr budget for the year. Although the money flowing in the clubs is growing, the situation doesn't show a full business trend. "This is because Arebaminch FC not work for profit; the club do not even have a business plan. As shown in the report the club have ideal plan to work with some sponsors, which is found in Arebaminch city. Like to other clubs selling of t-shirts for supports and fans. The current club t-shirts reflect Gamo Gofa zone cultural dressing.

**Table 15 Arebaminch FC revenue outline in averages (2016).**

<b>Business revenue</b>	Season 2016
<b>Per Match day income</b>	Around 80,000 birr
<b>Commercial</b>	100,000 birr
<b>Net total income/revenue</b>	Around 15 million birr
<b>Broadcasting</b>	-
<b>Club have commercial way</b>	-around 90,000
<b>Sponsors and supporters</b>	Around 400,000birr

### 3.3 Participation of supporters in business success

Supporters have held various action campaigns against the increasing stock market plans of the club (The Mirror, 2012). In Arebaminch city FC there is no fans view the stock market flotation, as well as no participating in club commercialization. Supporters participate in the buying the t-shirts of Arebaminch city FC. The clubs stadium ticket was considering the socio-economic states of the society.

**Figure 9 Arba Minch city football clubs**



#### 4. Wolayita dica FC

Wolayita dica FC is an Ethiopian football club based in Wolayita Sodo. They are a member of the Ethiopian Football Federation national premier league. Their home stadium is Wolayita Sodo city Stadium. Wolayita dica lifted the trophy of national league in the 2006 season beating woldiya city, and entering to the premier league. Wolayta dica FC club is a member of the Ethiopian Football Federation national league. Wolayita dica FC administered by boards separately from the youth and sport offices.

#### 4.1 Club ownership

Like to other south Ethiopian premier league clubs Wolayita dica FC is not structured as a business company. The owners in community based. There is no form of member individual ownership at the club. Business and football had become separable. Sporting events were sponsored by some time by few local businessmen. Most of supporting come from people and the government funds.

#### 4.2 Business success

Wolayita dica FC, owned and funded by governmental institutions the club is striving to be a public team and is working to change its huge fun base to cash. Yet it is still dependent on its overseer, the Wolayita zone Administration. As shown in the report the club have ideal plan to work with some sponsors. Like to other clubs selling of t-shirts for supports and fans. The current club t-shirts reflect Wolayita dica cultural dressing. Largest clubs business revenue is coming from Wolayita development association (Wolayita dica). Wolayita dica FC as one part of Wolayita development associations' annual reports of club found in generally in Wolayita development association. This make difficulty easily getting club documents. As club administrators report that year to year growing of money but they have starting to use strategic planning for business revenue. Club fund around 500,000birr after enter to the premier league renewed previous stadium which is found in Wolayita Sodo. Around 1million birr club construct modern dorm for players. This dorm have suitable facilities like shower room, cafeteria service, gardening. Club have high fund for food services for the players

**Table 16 Wolayita dica FC revenue outline in averages (2016).**

<b>Business revenue</b>	Season 2016
<b>Per Match day income</b>	Around 100,000 birr
<b>Commercial</b>	150,000 birr
<b>Net total income/revenue</b>	Around 16 million birr
<b>Broadcasting</b>	-
<b>Club have commercial way</b>	-around 50,000

<b>Sponsors and supporters</b>	Around 500,000birr
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### **4.3 Participation of supporters in business success**

Supporters have held various action campaigns against the increasing stock market plans of the club (The Mirror, 2012). In Wolayita dicha FC there is no fans view the stock market flotation, as well as no participating in club commercialization. Supporters participate in the buying the t-shirts of Wolayita dicha FC. The clubs stadium ticket was considering the socio-economic states of the society. Wolayita dicha FC fan have membership Id card and fees starting from 5birr to support the clubs. Some sponsors support the clubs not regular and there is no strategic plan for business working with different sponsors.

## **5. Hadiya Hosanna**

Hadiya hosanna FC is an Ethiopian football club based in hosanna city. They are a member of the Ethiopian Football Federation national premier league. Their home stadium found in hosanna the name called “Abeyo ersamo” Stadium. Last year 2007/2015 Hadiya hosanna strong competators in national league but the club in this year 2008/2016 in premier league show weak performance and this make club away from the premier league. Hadiya hosanna FC administered by boards separately from the youth and sport offices.

### **5.1 Club ownership**

Like to other south Ethiopian premier league clubs Hadiya hosanna FC is not structured as a business company. The owners in community based. There is no form of member individual ownership at the club. Business and football had become separable. Sporting events were sponsored by some time by few local businessmen. Most of supporting come from people and the government funds.

### **5.2 Business success**

Hadiya hosanna FC new team in premier league and very low business activities. In clubs document have not shown plan for business success. Hadiya hosanna FC, owned and funded by governmental institutions the club is striving to be a public team and club have huge fun

base supports. Yet it is still dependent on its overseer, the Hadiya zone Administration. As shown in the report the club have ideal plan to work with some sponsors in the future. Like to other clubs selling of t-shirts for supports and fans. The current club t-shirts reflect Hadiya cultural dressing. In club there is small business getting from club commercials, most club funds from supporters. Last year the club fund around 2 million birr renew the previous stadium have shower room, toilet and modern fences. Most of club business successes depend on club supporters found in South Africa. Like other football club fund around 500,000 birr for food service and dorm services.

**Table 17 Hadiya Hosanna FC revenue outline in averages (2016).**

<b>Business revenue</b>	Season 2016
<b>Per Match day income</b>	Around 80,000 birr
<b>Commercial</b>	-
<b>Net total income/revenue</b>	Around 15 million birr
<b>Broadcasting</b>	-
<b>Sponsors and supporters</b>	Around 6 million birr

### **5.3 Participation of supporters in business success**

Supporters have held various action campaigns against the increasing stock market plans of the club (The Mirror, 2012). In Hadiya hosanna FC there is no fans view the stock market flotation, as well as no participating in club commercialization. Supporters participate in the buying the t-shirts of Hadiya hosanna FC. The clubs stadium ticket was considering the socio-economic states of the society. Huge supporters from diaspora of Hadiya from South Africa. They support around 6 million birr to Hadiya hosanna clubs.

## **4.2 Discussion**

### **4.2.1 Strategic planning challenge and business success**

From coefficienttable 7 cleared that that strategic planning challenge on business success has negative significant on business success. In multivariate regration analysis of model summary



the value of strategic planning management R-square (0.565) this means that 56.5% effects on business success. This implies that strong association of strategic planning challenge on business success due to many factors affecting strategic planning challenge on business success. In the statements of the respondents were to respond to, we learnt that development of the football club was the major problem that strategic planning challenge is major problem like lack of trained personnel, lack of awareness, lack of sufficient training, lack of using modern technology, lack of business plan affect to the practice of strategic planning on business success. The coefficients table also revealed that strategic planning challenge had a fairly negative significant relationship to business success. This result confirmed similar study from previous study Kitangita, (2007) state that Challenges to strategy development will always be present, even in the most organized organizations. Management must anticipate challenges so as when they eventually occur, they are not caught uniform footed. Further, to affect his, adequate resources both financial and non-financial must be availed to address anticipated challenges. Thomas and Strickland (1999), notes that every organization has its own unique culture-one made distinctive by its own business philosophy and principles its own ways of approaching problems and conducting activities, its own mix of managerial personalities and styles, its own patterns of “how we do things here”, its own set of war stories and heroes. Probst and Buchel (1997) contend that all management activity, including strategic planning, cannot be considered independently of culture because it is culture which sets organizational behavior, both at institutional and individual levels. Similarly, Thomas and Strickland (1999) assert that a strong culture is a valuable asset when it matches the requirements for good strategy execution and a dreaded liability when it does not.

#### **4.2.2 Strategic planning management and business success**

Strategic planning management and business success has positive strong relationship. In multivariate regression analysis of model summary the value of strategic planning management R-square (0.455) this means that 45.5% effects on business success. This implies that weak association of strategic management on business success due to many factors affecting strategic planning management on business success. As study by (Hajara 2011.) states that there are still many challenges for strategic management in the modern business society. When the globalization, e-commerce and many other changes emerged in the business society, business has become hyper competitive. If you are not using proper

competitive strategy, the organization cannot survive any longer have less effect. The process of strategic management can help to generate competitive intelligence, foresee the next moves of rivals and build the competitive strategy to defeat competitors in the tough battle. (Hajara 2011). In case of this study there is weak practicing of strategic management in business activity and lack of connecting with globalization, lack of awareness on business become hyper competitive and proper competitive strategy.

#### **4.2.3 Strategic planning thinking and business success**

A study by Mintzberg (2009) In business context, suggesting that effective strategic thinking leads to competitive advantage: Strategic thinking is an individual thinking activity that benefits organizations. Its purpose is to discover competitive strategies to position the organization significantly differently from the present. Thinking strategically on business which details tactics to be taken to achieve goals and objectives. Strategic thinking is thinking that contributes to broad, general, overarching concepts that focus the future direction of an organization based on anticipated environmental conditions. This study in line with study shown that strategic planning thinking positive significant relationship between with business success.

Goldman (2012) stated that the “three reasons for the strategic thinking gap have been suggested: a lack of understanding of the concept overall; constant practitioner and theoretician confusion of the term “strategic thinking” with “strategic planning” as well as other strategic management terms; and limited development of strategic thinking among organizational leaders”. He stated that the knowledge gap between strategic thinking and strategic planning among top level managers hampers strategic thinking. “Strategic thinking is an individual experience and takes place informally and without any decision or action necessarily following. Similarly this study revealed that challenge of strategic thinking on business success were lack of understanding of concept of strategic thinking with strategic planning in business activity, confusion on strategic thinking and limited development and hampers of business strategic thinking of among clubs administrative. This findings supports our study that in multivariate regression analysis of model summary the value of strategic planning thinking R-square (0.584) this means that 58.4% effects on business success. This

implies that moderate association of strategic formulation on business success due to many factors affecting strategic planning thinking on business success.

#### **4.2.4 Strategic planning formulation and business success**

In multivariate regression analysis the value of strategic planning formulation R-square (0.342) this means that 34.2% effects on business success. This implies that weak association of strategic formulation on business success due to many challenges affecting strategic planning formulation on business success. A study shown by (Kitangita, 2007) state that Challenges to strategy formulation are always present, even in the most organized organizations. Management must anticipate challenges so as when they eventually occur they are not caught flat footed. Further, to this, adequate resources both financial and nonfinancial must be availed to address anticipated challenges. Environmental factors that affects external agents such as national culture, national economic conditions and industry conditions. It examined factors such as set laws within the sector, set standardizations policies, to what extent one should consider the local community, the prevailing political conditions, strategic positioning, mergers and partnerships and the impact of the organization "s presence on nature and its wellbeing. Huang, Abu-Salih and Megdadi (2013) stated that "business managers can't ignore the political policies, laws and regulations of the country from which they conduct international marketing transactions. Decision-specific factors can include time, risk, complexity and politics within the organization; it is in tandem with having a good mix that would help the organization to come up with appropriate decisions and in a timely manner. They are required to understand the country in which the businesses will operate and work within the existing parameters and anticipate and plan for changes that may occur. Demographic factors and changes can affect business opportunities for marketing innovation as far as consumer income, age, standard of living, occupation, educational level". Similar to this study many challenges that affect strategic planning formulation on business success like demographic factors, decision specific factors include time, risk, complexity and politics in clubs, environmental factors indicating in south Ethiopia male premier league football clubs.

#### **4.2.5 Strategic planning choice and business success**

In the study it is showed that strategic planning choice and business success have significant positive relationship. In multivariate regration analysis the value of strategic planning

choice R-square (0.570) this means that 57.0% effects on business success. This implies that weak association of strategic choice on business success due to many factors affecting strategic planning formulation on business success. But the effect is weak on business success due to the challenges of strategic choice on business success. So the findings of this study are supported by the finding of Liedtka (1998) revealed that bias and favoritism also played a role in selecting strategic choices. This was normally with regards to infighting among directors or managers, based on choice of preference when selecting which strategic choices the organization should undertake that a holistic view of how the firm operates helped the management see how it can merge all its processes and procedures so as to have an integrated system that functions optimally. This helped to ensure that all the interests of all managers and other stakeholders were taken into account and thus it aided in ensuring appropriate strategic choices are made in a timely manner. (Hodgkinson, 2007) Most business situations are however not zero sum games and also involve more than two players each having their own set of strategic alternatives. In the context of the business environment, the strategic choice results not only from an analysis of the contingencies of the social, economic, technological and legal environment, and awareness about the likely strategic choices of the competitor but also by seeking out bold new vision and inspired courses of action hitherto unknown. The core assumption that business environment factors can always be objectively assessed by the analytical tools and techniques of strategic management does not stand up to empirical scrutiny. In similar to this finding challenges that hinder practicing strategic choice on business success are lack of inspire club vision and mission, absent of strategic management practice, social, economic and technological factors.

#### **4.2.6 Strategic planning implementation and business success**

In the study shown that strategic planning implementation and business success have significant positive relationship. In multivariate regression analysis the value of strategic planning implementation R-square (0.570) this means that 57.0% effects on business success. This implies that weak association of strategic implementation on business success due to many factors affecting strategic planning implementation on business success. But the effect is weak on business success due to the challenge of strategic implementation on business success. In considering to strategic planning implementation on business success in context of south Ethiopia male premier league football club the practice is weak due to many factors.

There is significant relation between strategic planning and business success, but the result show that strategic planning implementation have weak effect on business success in south Ethiopia male premier league football clubs. As Olson, Slater and Hult (2005) study say it, ‘doing is harder than dreaming’. Organizations invest a lot of time and resource in the planning of strategy, but very little of it will get successfully implemented. Research in this field will lead to a better understanding what can go wrong and why, but also what will foster success. Organizations that fail to develop its strategy may fail on the long run. In similar to this study in south Ethiopia male premier league football clubs there initial stage or weak practicing of strategic planning on business success but there is with little implementation. As Aaltonen and Ikavalko (2002) study realized today much is known about the important factors in the planning phase of strategy. Furthermore problems, which appear during the implementation phase, are known. Some approaches and methods have been developed by researchers to ensure a structured processing; the most important factors of them will be introduced, summarized and connected during the paper. But a gap still exists between knowing what to do and actually doing it. Thus there is little systematic knowledge about how to implement a well-conceived strategy on paper in the real day-to-day business of an organization. Without effective implementation “even the most superior strategy is useless”. In general as result show that south Ethiopian male premier league football clubs weak practice of strategic planning on business success, due to many factors also this factors are discussed by many outros for weak association of strategic planning management, strategic choice, strategic formulation, strategic thinking and implementation on business success. In general strategic planning and business success have positive significant relationship and strategic planning effect on business success. This result supported by Schwenk and Shrader (1993) showed that the existence of strategic planning is significantly positively correlated with the business success. Robinson and Littlejohn (1981) found a positive relationship between strategic planning and financial success in their investigation of small business enterprises.

## CHAPTER FIVE

### SUMMARY, RECOMMENDATIONS AND CONCLUSION

#### 5.1 Summary

The purpose of study was to identifying the current strategic planning by football clubs on their business success. It sought to determine how managerial strategic planning challenge, strategic planning management, strategic planning thinking, strategic planning formulation, strategic planning choice and strategic planning implementation to what extent influence on business success of football clubs in south Ethiopia male premier league football clubs. The research was based on a descriptive survey aimed at investigating the strategic planning on business success practices of football clubs in the south Ethiopia male Premier league football clubs. Owing to the fact that the number of teams in the Ethiopia Premier League are 14, from this five football clubs found in south Ethiopia male premier league. Which means the population size of total players is 140 and 20 coach and managers, purposive sampling was used for coach and administrative was conducted when collecting data. Primary data was collected using a structured questionnaire in order to measure the extent to which various strategic planning practices are utilized in the various football clubs. Secondary data was collected by reviewing Football Clubs annual reports, observing physical structure of south Ethiopia male premier league football clubs. The research instrument was developed based on the research objectives. The study was modeled on descriptive statistics and inferential statistics like linear regression was used to analyze the data. With regards to univariate data analysis result showed that the total effect of the study indicate that R-square value is 40.9%. This shows that the association of strategic planning on business success is constitute 0.409 this indicate that weak effect of strategic planning association with business success. This result show that the practice of strategic planning on business success is weak. As result show that all category of strategic planning except strategic planning challenge negative significant on business success. The rest strategic planning management, strategic thinking, strategic formulation, strategic choice, and strategic implementation have positive significant on business success.

## 5.2. Conclusion

- ❖ On the bases of the finding of this study it is concluded that: Strategic planning on business success is important for football clubs. by formulating club business vision, mission and long term plan. In univariant summary model it observed that strategic planning do weak effect on business success or strategic planning affects business success 0.409 level in percent 40.9%. The coefficient table also showed that significant positive relationship between strategic planning and business success. In South Ethiopia male premier league football clubs using of strategic planning on business success is very less.
- ❖ In South Ethiopia male premier league football clubs lack of weekly, monthly and annual well organized business reports in documents and lack of transparency on business success of the clubs
- ❖ Zanoni, Vernizzi and D'Anna (2014) state that “implementing the strategic options in order to realize the strategic vision means act on the business model of the firm, and on its different aspects.
- ❖ Due to the relevance of the relation between strategic options and business success it could be useful to get a little more deeply in the concept of business model”. It strongly came out that selection of strategic choices plays big part in the success of the football clubs in the south Ethiopia male Premier League football clubs. Clubs are considering forming of strategic planning on business success and knowing about strategic planning choice. Strategic planning thinking, strategic planning formulation and strategic planning implementation as difficult and time consuming activities.
- ❖ The result of the findings indicate that weak effects of strategic planning implication on business success. Challenges affect the practice of strategic planning management, strategic planning thinking, strategic planning formulation, strategic planning choice and strategic planning implementation on business success, faller to plan strategic plan, club structures, and lack of using technology, experience sharing, lack of education level, commercialization, potential sponsors, training and workshop.

### **5.3 Recommendations**

- ❖ The government in collaboration with the management of the Ethiopian Premier League specific to south Ethiopia male premier league football clubs should consider having courses tailor made to ensure that managers of the south Ethiopia male premier league football clubs are able to use their unique positions to empower youth in the country. It will also help in nurturing a breed of managers who are well equipped to manage sports in the country, as there in an appalling shortage of professionals in the field of sports management.
- ❖ Forming clubs structures and practices. Football in South Ethiopia has grown to be more than a sport and investors will be looking at it as a viable option for investment and thus football managers and officials should acquaint themselves with this paradigm shift. Key stakeholders must thus enhance the capacity of club modern management. These could include practical attachments to other countries or areas where sport is professionally managed as a business entity.
- ❖ Government stakeholders should give technological workshop, and training to football club management staff to empower globalization and should be aware of strategic planning on business success.
- ❖ Clubs should develop experience sharing on way of using management system and strategic planning, club structure. The most common problem in south Ethiopia male premier league football clubs is sharing only considering depend on business of transferring players.
- ❖ Clubs should avoid forming strategic planning on business success and knowing about strategic planning choice. Strategic planning thinking, strategic planning formulation and strategic planning implementation as difficult and time consuming activities.
- ❖ Club administrative should update their educational levels for better advancement of strategic management in clubs. In contrast to most of south Ethiopia male premier league clubs have less education level and some sport professionals these educational levels do not adequately



representation. Train these individuals towards strategic planning management and all clubs should administered by sport professionals.

- ❖ Clubs should design strategic planning helps to transferring to commercialization to gain sustainable business success.
- ❖ Club should develop business strategic planning to align with different potential sponsors, by participate in different mechanisms like t-shirt sponsor, game sponsor club sponsor, player sponsor.
- ❖ Club should make awareness on strategic planning, vision mission, goal and objectives to clubs players and members.
- ❖ Club must develop or generate their business capacity by their own by developing business strategy and participating in corporate commercialization activates.
- ❖ Club should work long term plan that is strategic planning including strategic planning management, strategic planning thinking, strategic planning formulation and strategic planning implementation to achieve business success and over all clubs development.
- ❖ Creating awareness on sport management by preparing different panel discussions, trainings, experience sharing tours to different professional sport clubs of the country for different personnel of each level of football governing bodies. Helping and/or assisting the management works or processes of each level of football governing bodies of the region.

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## APPENDEX-1

### JIMMA UNIVERSITY

#### COLLEGE OF NATURAL SCIENCE

#### DEPARTMENT OF SPORT SCIENCE

##### Sample Questionnaire

###### Dear Respondents!

This questionnaire is designed to collect data for the study aimed to current strategic planning Implication on business success of football club in case of southern Ethiopia premier league club.

The data collected using this questionnaire is to be used only for academic purpose and all information gathered from the respondents will be helpful to get pertinent findings and to forward timely and sound recommendation. Your responses are confidential and are not used for any other purpose rather than this study.

Therefore, in order to obtain relevant and reliable information that would contribute to the success of this study, I kindly request your cooperation to answer all the questions frankly as you fell.

(Source sport community.com.au/wp content/download/2013/...../strategic planning).

###### General Direction

1. No need to write your name
2. Try to answer every question according to the instruction provided.

Questionnaire for Effects of current strategic planning exercises on the success of football clubs.

###### PART A: Demographical Information

1, Name of club 1,Hawassa city FC, 2,Sidama Buna FC 3,Wolayita dica 4,Arebaminch city FC 5,Hadiya hosanna FC.

2. What is your gender? For Male -1  Female -2

3. Indicate your age in years.

1-18 – 30  2, 30 – 40  3, 40 – 50  4, 50 – 60  5, 60+

4. What is your designation at the football club?

1-Manager 2-vice Manager 3-player 4-secretary 5-club top managers

**PART A: Strategic Planning Challenges**

**24.** *To what extent would you consider the following as posing major constraints?*

*1=strongly disagree, 2=disagree, 3=neutral and 4=agree 5-strongly agree)*

NO	ITEM	1	2	3	4	5
1	Inadequate resources					
2	Inadequate training					
3	Shortage of qualified personnel					
4	Economic trends					
5	Technology issues					
6	Political and legal factors					
7	Social cultural factors					
8	Lack of commitment by top management					
9	football club Organizational structure					

No	Strategic Management	1	2	3	4	5
1	Management often engages in strategic thinking practices					
2	Management supports strategic thinking practices					
3	Your football club encourages strategic thinking					
4	Poor communication affects strategic thinking practices					
5	Cognition affects strategic thinking					
6	Qualifications of managements affects strategic thinking					
7	Strategic thinking helps in identifying opportunities					
8	Strategic thinking contributes to problem resolution					
9	Strategic thinking helps the club to develop					

No	Strategic planning thinking	1	2	3	4	5
1	Strategic planning thinking process is time consuming?					
2	Strategic planning thinking process is cumbersome?					
3	Goals and objectives are clear for everyone?					
4	There is low teamwork in strategic planning thinking					
5	Wise thinking on strategic planning effect on organization					
6	Strategic planning thinking important for is a worthwhile project.					

No	Strategy Formulation	1	2	3	4	5
1	Having a vision statement gives the club identity					
2	Having a mission statement gives the club direction					
3	The vision is influenced by stakeholders					
4	The mission is influenced by the environment					
5	Having objectives gives the club purpose of existence					
6	Objectives forms basis for the day to day activities					
7	The club aligns its strategy to suit the current situation					
8	The club's culture affects strategy formulation					
9	Qualifications of managements affects strategy formulation					
10	The clubs performance influences strategy formulation					

No	Strategic Choices	1	2	3	4	5
1	Selection of strategic choices plays a part in the clubs					
2	Success					

3	Associated risk influences the selection of strategic choices					
4	Associated cost influences the choice of strategic choices					
5	Complexity influences the picking of strategic choices					
6	Diversification dictates the selection of strategic choices					
7	lack of consensus prolongs the decision making process					
8	Bias and favoritism affects strategic choices evaluation					
9	Availability of officials delays consensus of strategic choices					
10	Managers qualifications affects selection of strategic					

No	Strategic Plan Implementation	1	2	3	4	5
1	Does the football club make strategic decisions (implementation action plans) based up on the strategic plan?					
2	Does the football club clearly assign lead responsibility for action plan implementation to a person or alternately to a team?					
3	Are sufficient resources allocated for implementation?					
4	Does the football club set clearly defined and measurable performance standard for each plan element?					
5	Does the football club develop an organized system for monitoring how well those performance standard were met?					
6	Does the football club review monitoring data regularly and revise strategic planning as appropriate?					
7	Are individual responsible for strategic planning and implementation rewired for successful performance?					

**Thank You for Your Time**

## **APPENDEX-2**

### **JIMMA UNIVERSITY**

#### **COLLEGE OF NATURAL SCIENCE**

#### **DEPARTMENT OF SPORT SCIENCE**

##### **Sample Questionnaire**

###### **Dear Respondents!**

This questionnaire is designed to collect data for the study aimed to effect business success of football club in case of southern Ethiopia premier league club.

The data collected using this questionnaire is to be used only for academic purpose and all information gathered from the respondents will be helpful to get pertinent findings and to forward timely and sound recommendation. Your responses are confidential and are not used for any other purpose rather than this study.

Therefore, in order to obtain relevant and reliable information that would contribute to the success of this study, I kindly request your cooperation to answer all the questions frankly as you fell.

The questionnaires that is used to measure the business success derived from researcher used by Bibi Zaheenah Chummu (2012) on title evaluating business success in the Micro insurance industry of South Africa. Some questionnaires adopted according to context business success in south Ethiopia male premier foot clubs.

## MEASURING THE BUSINESS SUCCESS OF FOOTBALL CLUBS

Please rank (1-having 2- not having 3-strongly having 4-middum 5- small)

	ITEM	having	Not having	Strongly having	medium	small
1	successfully been achieving business success through implementing an efficient and effective technological system of the football clubs					
2	To get business success through a supportive Human resources training and development program in management to its staff					
3	Has successfully been achieving business success through the Competitive sponsor policy of football clubs.					
4	Has successfully been achieving business success through engagement in the promotional campaigns of football clubs.					
5	Has successfully been achieving business success through the support of an adherent football clubs culture					
6	Strongly thinks that a more coherent regulatory clubs framework will lead to business success of the firm					
7	To achieving business success through the adequate infrastructure of football club.					
8	Has successfully been achieving business success by being constantly accessible to the low income earners					



9	Has successfully been achieving business success by portraying a professional image of its player and staff members.					
10	Has successfully been achieving business success by being Trustworthy to the potential sponsors.					
11	Has successfully been achieving business success by being constantly financially educating the club stakeholders on the Concepts, benefits and importance of business.					
12	Has successfully been achieving business success through effective communication to the potential sponsors.					
13	Has successfully been achieving business success by processing efficiently all documentations of football clubs.					
14	Has successfully been achieving business success by having business strategy plan.					
15	For achieving business success member of sponsor currently found in the clubs.					
16	For achieving business success fan based business revenue of the football clubs.					
17	For business success method of business revenue of football clubs.					
18	Annual business achievement of football clubs					
19	Football clubs face the business frailer					
20	Has successfully achievement business success facilitation of infrastructure and martials of the football clubs.					

APPENDEX-3

JIMMA UNIVERSITY

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**Chek list for document analysis**

No	Item	Yes	No
1	Does clubs have owners?		
2	Does club has business revenue that is report in club.		
3	Commercial activities of football clubs?		
4	Club have sponsorship?		
5	Supporter participate in business success?		
6	Club members participate in commercial?		
7	Club have annual business report?		
8	Football club have business strategy?		
9	Total income of clubs which is stated in the report.		
10	Per match day income stated in the report.		
11	Is there public support the club stated in the report of clubs?		
12	Club fund business for player contract sign state in football club report?		