Factors affecting financial performance of football clubs in Arab Republic of Egypt

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Introduction and research problem:

At present time, survival of football clubs in light of intense competition in sports market has become closely linked to their ability to achieve a balance between financial performance and sports performance, especially in light of unique characteristic of football industry, which is the difficulty of controlling revenues and expenses. Therefore, football clubs' inability to well planing for its long-term financial performance affects its ability to survive in sports market.

It can be said that sports activity has grown to be "sports industry". Sport now belongs - to a large extent - to field of economics and business. As a result, sports success, which was the main goal of football clubs in the past, is now accompanied by other goals, including making profit (13:2).

It is worth noting that the economic model for football clubs is a revenue model and a cost model linked to club's goals. It can be defined as the search for a balance between revenues, costs, and goal, and the goal can vary between: (1) maximizing profit, and (2) maximizing sports performance, under strict budget constraints: hard constraints or flexible constraints (8: 560).

Sports clubs' managers can combine sports goals with financial goals through resources' utilization model that is used in analyzing technical efficiency of sports team, if the club works to focus on both sports and financial goals at the same time in accordance with its available resources, which enhances its ability to achieve desired sports performance, and achieves the best usage of his available resources and then improves its financial performance (19: 109).

It should be noted that any club must be aware of its ability to make money (revenues) and spend money (costs), given that both revenues and costs are closely related. When revenues are higher than costs, the club makes a profit and thus appears as a viable and growing business entity. However, when expenses are higher than revenues, the club is managed as an entity that is at risk in terms of financial aspects - survival and ability to continue – with the ability to provide a distinguished, high-quality experience (10: 140).

Controlling expenses and maintaining them at a sustainable level will remain the main challenge for clubs. The sustainability of the football sector as a whole lies at the heart of Financial Fair Play philosophy, which aims to balance income and expenses, and prioritize investments over the long term (12: 95).

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Clubs use many financial and non-financial indicators to determine their ability to achieve their economic and sports goals. The most important of these indicators are the ratio of revenues to sales, total assets, debt ratio, cash flow to total assets ratio, return on investment, return on ownership, number of team's matches won during season, and team's ranking in competition table (16: 163).

On short term, we find that sports performance is a good indicator for measuring club's ability to survive, while on long term, we find that club's survival depends largely on its financial performance. But in no way can we treat financial performance as the only measurement of any football club"s performance (13:7).

It has been argued that the intensity of competition in league systems is a key component of both revenue generation and sustained interest, which will drive broadcast revenues. The competitive balance of league competitions is an important element of sports economics with evidence suggesting that a less attractive product may struggle to capture a high market value (23: 31).

It has been noted in recent period that there are some football clubs that have been subjected to financial faltering as a result of their inability to manage their financial performance in a way that achieves a balance between their sports and financial goals, which has led to many financial problems that have left football clubs facing accumulated debts as a result of excessive spending on salaries, player transfer fees, linked to its inability to generate revenue. To avoid financial failure, clubs must implement effective management and good organization of financial resources, as well as develop strategies to increase revenues and reduce costs in a sustainable manner.

Through researcher readings of scientific studies' and references' results on financial performance in football, such as Kase et al., Tariq Ahmed Bahaa El-Din (2022) Saad Abdel Hamid Mutawa et al. (2022) Ihab Khairy (2021) Wilson, R. (2017) Hazem Kamal El-Din et al. (2016) Rohde, M. & Breuer, C (2016), which emphasized the importance of financial performance, represented by funding sources for sports facilities' management, success, and survival, weak financial growth rate, weak rate of investment and financing, lack of revenues, and deficiencies in regulations and laws that work to increase efficiency of financial performance in sports facilities. Governance, organizational structure, and league structure affect financial performance at club level, where financial success is driven by national and international sports success and also sports success depends on investment in the team.

It can be said that financial performance of football clubs is vital to ensuring club's sustainability and success, and financial performance of football clubs can be evaluated by several financial factors including revenues, costs, regulations and laws, investment, in addition to value of players and investments in sports facilities. Although popular football

clubs usually have multiple sources of income such as selling match tickets, sponsorship, television broadcasting, etc, it also faces financial challenges, such as high salaries for prominent players, transfer costs, and stadium maintenance.

Therefore, current research seeks to identify the most important factors that affect financial performance of football clubs and determine percentages of these factors' contribution in achieving financial success in order to be an indicator for football clubs of how to exploit them and enable them to continue to provide good financial performance.

Research Terms:

Financial performance: Club's ability to use its resources effectively, work to reduce costs, and generate revenues from multiple sources to achieve its sports and financial goals in a way that ensures financial sustainability and continuity in sports market.

Research goal:

This research aims to identify influencing factors and their contribution to financial performance of Egyptian football clubs by answering following questions:

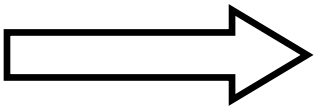
Research questions:

1. What are the most important factors affecting financial performance of football clubs in Arab Republic of Egypt?
2. Is there a positive correlation between influencing factors and financial performance dimensions of Egyptian football clubs?
3. What is the contribution percentage of sports performance to financial performance of Egyptian football clubs?
4. What is the contribution percentage of non-sports performance to financial performance of Egyptian football clubs?
5. What is the contribution percentage of competitive balance to financial performance of Egyptian football clubs?
6. What is the contribution percentage of management to financial performance of Egyptian football clubs?

Research variables:

Independent Variable

Influencing factors
Sports performance
Non-sport performance
Competitive balance
Management



Dependent Variable

Financial performance
Revenues
Costs
Regulations and laws
Investment

Research procedures:

Research Methodology:

The researcher used descriptive method (survey method).

Research Community:

The research community is represented by : Chairman and members of Directors' Board, CEOs, Financial Manager, Marketing Managers/officials, Treasurer secretary, at football clubs.

Research sample:

The researcher randomly selected the research sample from chairmen and members of Directors' Board, CEOs, Financial Managers, Treasurer

secretary, Marketing Managers/officials at football clubs in premier league (A), premier league (B), number of people to whom the questionnaire was applied reached (155) with (21) for the exploratory sample, (134) for the basic sample.

Table (1)
Numerical and relative statement of research sample ….. N=(155)

	Position	premier league (A)	Premier league (B)	basic	exploratory	Total
1	Directors' Board Chairman	3	8	9	2	11
2	Directors' Board Member	22	63	75	10	85
3	CEO	5	8	11	2	13
4	Marketing Managers/ officials	4	12	13	3	16
5	Financial Manager	6	13	15	4	19
6	Treasurer secretary	4	19	11	2	13
7		44	113	134	21	155

Data collection tools:

The researcher used the following to collect research data:

- Access to scientific research and references on financial performance in football, such as Saad Abdel Hamid Mutawa et al (2022), Alaa Ezz El-Din Abdel Salam (2022), Tariq Ahmed Bahaa El-Din (2022), Ihab Khairy (2021), Balliauw, M). .& Spiegel, T (2018), Ball Wilson, R. (2017), Rohde, M. & Breuer, C (2016) where researcher identified the most important axis and dimensions and the most important results,
- The researcher developed a questionnaire (factors affecting financial performance) and a questionnaire (financial performance) with closed-ended questions using a three-way Likert scale (1 = yes, 2 = to some extent, 3 = no), with following these steps in preparing them:

Identifying axises and phrases:

Through researcher's access to Arabic and foreign references related to (financial performance, football industry, financial problems in football clubs), he identified four axes for each questionnaire as follows:

Questionnaire (factors affecting financial performance), which included (4) axes:

- The first axis: Sports performance, which includes (6) phrases.
- The second axis: non-sports performance, which included (5) phrases.
- The third axis: Competitive balance, which includes (5) phrases**.**
- The fourth axis: Management, which includes (5) phrases.

Questionnaire (Financial performance, which includes (4) axes:

- The first axis: Revenues, which includes (6) phrases.
- The second axis: Costs, which includes (6) phrases**.**
- The third axis: Regulations and laws, which includes (5) phrases**.**

- The fourth axis: Investment, which includes (5) phrases**.**

Survey study:

To verify the suitability of questionnaire phrases, the researcher applied both questionnaires, attachement (1) and (3) to a survey sample of (21) from within research community and outside main study sample, where the researcher used internal consistency validity by finding correlation coefficients between each phrase with total score for its axis, questionnaire's total score, correlation coefficients between axes and each other, the correlation coefficients between total score for each axis with questionnaire's total score.

First: Internal consistency validity of factors affecting financial performance questionnaire:

The researcher calculated internal consistency validity of factors affecting financial performance by applying the questionnaire to exploratory research sample consisting (21) individuals from same research community and outside basic sample. The correlation coefficients of each axis's phrases were calculated, and correlation coefficients were also calculated between questionnaire's dimensions and total score using Pearson equation, as shown in Table (2).

Table (2)

Internal consistency validity of Questionnaire (factors affecting financial performance) …. n = 21

Sports performance			Non-sports performance			Competitive balance			Management		
phrases	axis	questionnaire	phrases	axis	questionnaire	phrases	axis	questionnaire	phrases	axis	questionnaire
1	0.710	0.574	7	0.724	0.693	12	0.769	0.753	17	0.697	0.750
2	0.829	0.665	8	0.694	0.611	13	0.785	0.732	18	0.760	0.657
3	0.799	0.761	9	0.689	0.693	14	0.887	0.799	19	0.662	0.750
4	0.829	0.546	10	0.700	0.582	15	0.775	0.603	20	0.793	0.647
5	0.610	0.587	11	0.833	0.611	16	0.740	0.601	21	0.643	0.658
6	0.590	0.532									

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (2) that there is a statistically significant correlation between phrases and axis, where calculated (T) value was greater than tabulated (T) value at a significant level (0.05), which indicates validity of internal consistency of axis's phrases.

Table (3)

Correlation coefficients between questionnaire dimensions and total score n = 21

	Axis	Questionnaire Total score
1	Sports performance	0.771*
2	Non -sports performance	0.561*
3	Competitive balance	0.835*
4	Management	0.745*

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (3) that there is a statistically significant correlation between axes and questionnaire total score, where the value of (T) was greater than (T) value in at a significant level (0.05), which indicates validity of axes's internal consistency.

Stability of factors affecting financial performance questionnaire:

Stability coefficient was calculated using half segmentation method by using odd items versus even items. After that, value of resulting coefficient must be corrected, by using general Spearman-Brown equation for half segmentation, stability coefficient was calculated using Cronbach's alpha equation, by applying it to exploratory study group, which consisted of 21 individuals from same research community and outside main sample, and questionnaire stability coefficient as shown in Table (4).

Table (4)
stability coefficients of factors affecting financial performance questionnaire
n=21

	Dimensions	correlation coefficient	Spearman-Brown	Gittman stability	Cronbach's alpha
1	Sports performance	0.710	0.831	0.814	0.801
2	Non -sports performance	0.774	0.872	0.796	0.763
3	Competitive balance	0.714	0.833	0.810	0.885
4	Management	0.754	0.860	0.766	0.766
	Questionnaire as a whole	0.979	0.990	0.936	0.961

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (4) questionnaire stability and its axes, as the value of stability coefficient using Spearman-Brown method for questionnaire axes ranged between (0.831: 0.872), while value of stability coefficient using Gutman equation ranged between (0.766: 0.814), and stability coefficient using Spearman-Brown method for questionnaire as a whole reached (0.990) as stability coefficient using Guttman equation for questionnaire as a whole was (0.936), while value of stability coefficient using Cronbach's alpha method ranged between (0.763: 0.885), and stability coefficient using Spearman-Brown method for questionnaire as a whole was (0.961), and all values are significant at a significance level (0.05), which indicates high stability of questionnaire under consideration.

Second: Internal consistency validity of financial performance questionnaire:

The researcher examined internal consistency validity of financial performance questionnaire for football clubs in Arab Republic of Egypt. The questionnaire was applied to

exploratory research sample, which consisted of (21) individuals from same research community and outside basic sample. The correlation coefficients of axis's phrases were calculated, and correlation coefficients were also calculated between questionnaire's dimensions and total score using Pearson equation, as shown in Table (5).

Table (5)

Internal consistency validity of financial performance questionnaire …… n = 21

Sports performance			Non-sports performance			Competitive balance			Management		
phrases	axis	questionnaire	phrases	axis	questionnaire	phrases	axis	questionnaire	phrases	axis	questionnaire
Revenues			Costs			Regulations and laws			Investment		
1	0.620	0.592	7	0.632	0.632	13	0.782	0.769	18	0.780	0.791
2	0.680	0.624	8	0.692	0.525	14	0.716	0.623	19	0.690	0.590
3	0.788	0.642	9	0.684	0.581	15	0.578	0.750	20	0.780	0.750
4	0.638	0.653	10	0.062	0.044	16	0.789	0.522	21	0.775	0.786
5	0.576	0.744	11	0.722	0.628	17	0.568	0.682	22	0.685	0.585
6	0.724	0.712	12	0.757	0.740						

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (5) that there is a statistically significant correlation between phrases and axis. Calculated (T) value was greater than tabulated (T) value at a significance level (0.05), which indicates validity of internal consistency of axis phrases. It is also clear that phrase No. (10) is not related to costs axis, where calculated (T) value was less than tabulated (T) value at a significance level (0.05), which indicates inaccuracy of this phrase.

Table (6)

Correlation coefficients between questionnaire dimensions and total score n = 21

	Axis	Questionnaire Total score
1	Revenue	0.715*
2	Costs	0.718*
3	Regulations and laws	0.541*
4	Investment	0.534*

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (6) that there is a statistically significant correlation between axes and questionnaire total score, where calculated (T) value was greater than tabulated (T) value at a significant level (0.05), which indicates validity of axes' internal consistency.

Stability of financial performance questionnaire:

Stability coefficient was calculated using half segmentation method by using odd items versus even items. After that, value of resulting coefficient must be corrected. This is done by using general Spearman-

Brown equation for half segmentation, and stability coefficient was calculated using Cronbach's alpha equation, by applying it to exploratory study group, which which consisted of (21) individuals from same research community and outside main sample, and stability coefficient was calculated for questionnaire as shown in Table (7).

Table (7)
stability coefficients of financial performance questionnaire… n = 21

	Dimensions	Correlation coefficient	Spearman-Brown	Gittman	Cronbach's alpha
1	Revenue	0.801	0.890	0.851	0.821
2	Costs	0.712	0.832	0.829	0.897
3	Regulations and laws	0.763	0.866	0.831	0.813
4	Investment	0.638	0.779	0.712	0.795
	Questionnaire as a whole	0.956	0.975	0.963	0.950

Tabulated (t) value at a significance level of 0.05 = 0.369

It is clear from Table (7) stability of questionnaire and its axes, as stability coefficient value using Spearman-Brown method for questionnaire axes ranged between (0.779: 0.890), while stability coefficient value using Gutman equation ranged between (0.712: 0.831), and stability coefficient using Spearman-Brown method for questionnaire as a whole reached (0.975) as stability coefficient using Guttman equation for questionnaire as a whole was (0.963), while stability coefficient value using Cronbach's alpha method ranged between (0.795: 0.897), and stability coefficient using Spearman-Brown method for questionnaire as a whole was (0.950), and all values are significant at a significance level (0.05), which indicates high stability of questionnaire under consideration.

Basic study:

After conducting scientific procedures related to validity and stability, the researcher applied the two questionnaires in their final form, attached (2) and (4) to basic research sample, which included (134) during the period from (١٥/٦/2023) to (1٥/٧/2023). After completing the application, it was organized, data was transcribed, and it was tabulated to perform the appropriate statistical treatments.

Results presentation and discussion of first question: What are the most important factors affecting financial performance of football clubs in Arab Republic of Egypt?

Table (8)
Statistical significance of the research sample's opinions on the influencing factors and financial performance (n=134)

Phrases		yes		to some extent		No		Mean	odds ratio	ranking
		Frequency	%	Frequency	%	Frequency	%			
Factors affecting	Sports performance	18	13.43	33	24.63	83	61.94	1.51	50.30	2
	Non -sports erformance	16	11.94	31	23.13	87	64.93	1.47	48.92	3
	Competitive balance	11	8.21	34	25.37	89	66.42	1.42	47.36	4
	Management	17	12.69	36	26.87	81	60.45	1.52	50.65	1
Financial performance	Revenue	8	13.43	46	34.33	70	52.24	1.62	53.90	1
	Costs	12	8.96	39	29.10	83	61.94	1.47	48.91	3
	Regulations and laws	11	8.21	49	36.57	74	55.22	1.53	51.09	2
	Investment	9	6.72	42	31.34	83	61.94	1.44	48.16	4

It is clear from Table (٨) that average responses of research sample regarding influencing factors ranged from (1.52) with a weighted percentage of (50.65%) for "management" factor to (1.42) with a weighted percentage of (47.36%) for "investment" factor. The researcher attributes "management" factor receiving the highest weighted percentage (50.65%) to important influence of club's management on spending decisions and balance between financial performance and sports performance, which entails setting financial goals and maintaining financial discipline on and off the field. This is consistent with study of Wilson, R. (2017) (23), which indicated that factors affecting financial performance extend to decision-making by directors' boards (through setting business objectives and appointing and dismissing administrative and technical teams).

The "competitive balance" factor received the lowest percentage (47.36%). The researcher attributes this result to low rate of competitive balance in Egyptian League and dominance of some sports clubs in winning the league championship, which is reflected in ability of these clubs to generate revenues due to weak interest in matches by fans and thus affecting sponsorship rights, viewership and match tickets. This is consistent with study of Wilson, R. (2017) (23), which indicated that intensity of competition in the league is a key element in both revenue generation and ongoing demand, and this would increase broadcast revenues, as competitive balance of the league is an important element in sports economics with evidence suggesting that a less attractive product may struggle to obtain a high market value.

It is also evident that averages of research sample's responses in financial performance axis range from (1.62) with a weighted percentage of (53.90%) for "revenues" axis to (1.44) with a weighted percentage of (48.16%) for "investment" axis.

The researcher attributes "revenues" being ranked first with a weighted percentage (53.90%) to football clubs' need to increase their financial resources, in light of intense competitiveness in football industry, free market economy, and weakness of government funding for sports clubs, which led to clubs' need to focus on increasing and diversifying sources of private revenues. This is consistent with study of Saad Abdel Hamid Mutawa et al. (2022) (4), which emphasized the clubs' need to submit many proposals and activities to increase self-financing for sports facilities, in a way that helps them to improve their financial performance in line with contemporary changes in this sector, especially in light of weak and decreased government support for Egyptian sports facilities.

The researcher attributes "investment's" ranking last with a a weighted percentage of (48.16%) to the fact that investment in football clubs is an activity that aims to achieve a financial and economic return, but it is affected by country's general economic situation. As a result of many external coercive conditions, we find a slowdown in economic growth and an increase in inflation rates, which was reflected in football clubs' ability to increase their investment activities. This is consistent with study of the PWC (2011) (17) that the biggest challenge facing many sports is inflation in prices and expenses of players, and such an increasing investment in talent is what causes increasing tensions on financial side. This is consistent with study of Tariq Ahmed. Bahaa El-Din (2022) (5), which confirmed weak rate of investment and financing, which in turn affects increasing efficiency of financial performance in sports facilities in Minya Governorate.

Sports Law No. (71) of (2017) emphasized the importance of investing in sports clubs and increasing financial revenues, as it indicated that one of the most important resources of sports bodies is return on investment of sports bodies' funds, and in exchange for players' transfer and loan (7).

Results presentation and discussion of second question: Is there a positive correlation between influencing factors and financial performance dimensions of Egyptian football clubs?

Table (9)

Correlation coefficients between axes of influencing factors and dimensions of financial performance of Egyptian football clubs… N = 134

Axis	Revenues	Costs	Regulations and Laws	Investment	total score
Sports performance	0.962*	0.692*	0.791*	0.808*	0.910*
Non-sports performance	0.960*	0.732*	0.768*	0.780*	0.878*
Competitive balance	0.924*	0.760*	0.783*	0.778*	0.827*
Management	0.946*	0.799*	0.829*	0.821*	0.915*
questionnaire total score	0.964*	0.783*	0.817*	0.811*	0.911*

Tabular (t) value at a significance level of 0.05 = 0.378

It is clear from Table (٩), that:

- There is a positive, statistically significant correlation between influencing factors (sports performance, non-sports performance, competitive balance, management) and combined dimensions of financial performance for Egyptian football clubs, where calculated (T) value was greater than its tabulated value at (0.05) , which reached (0.911).
- There is a positive, statistically significant correlation between sports performance and the financial performance of football clubs, where calculated (T) value was greater than its tabulated value at (0.05) , which reached (0.910).
- There is a positive, statistically significant correlation between non-sports performance and financial performance of football clubs, where calculated (T) value was greater than its tabulated value at (0.05) , which reached (0.878).
- There is a positive, statistically significant correlation between competitive balance and financial performance of football clubs, where calculated (T) value was greater than its tabulated value at (0.05) , which reached (0.827).
- There is a positive, statistically significant correlation between management and financial performance of football clubs, where calculated (T) value was greater than its tabulated value at (0.05) , which reached (0.915).

Results presentation and discussion of third question: What is the contribution percentage of sports performance to financial performance of Egyptian football clubs?

Table (10)

Results analysis of simple linear regression of sports performance contribution to financial performance of Egyptian football clubs

Independent variable	R	R^2	Regression coefficient	Standard error	B value	T value	Significance level	F value	Significance level
Fixed amount	0.910	0.828	7.232	1.036		6.980	0.000	674.930	0.000
Financial performance			2.804	0.108	0.915	25.979	0.000		

It is clear from Table (١٠) that calculated "F" value is equal to (674.930) and is statistically significant at significance level 0.05, as significance level is equal to 0.00, which is less than a significance level of 0.05, and this indicates the impact of sports performance on Egyptian football clubs' financial performance, and this was confirmed by calculated "T" value and its significance level of (0.00), which is less than study's hypothetical level (0.05).

It is also clear that there is a statistically significant corelation between sports performance and financial performance of football clubs, as values of correlation

coefficient (R) reached (0.910). This means that the better sports performance, the better financial performance. It is also clear that there is a statistically significant effect between sports performance and financial performance, where sports performance contributes 82.8% to financial performance, assuming other factors remain constant, and this effect is significant at a significance level of (0.05).

The researcher attributes this result to the fact that good performance on field, winning in tournaments, and achieving sports successes lead to increase in club revenues from ticket sales, sponsorships, and marketing, which contributes to improving financial performance. Also, successful football clubs at sports level attract interest and large following by media and broadcasting companies, which increases value of television broadcasting rights' contracts. This is consistent with study of Rohde, M. & Breuer, C (2016)(18), which indicated that financial success is driven by national and international sports success, and also that sports success depends on investment in the team, and collective investments tend to be driven by investors, the majority of whom are from the private sector.

Stefan Szymanski (2010) confirms that football's commercial model is simple to understand, as we can say that clubs invest in players and infrastructure with the aim of attracting fans who pay money. So, fans are very sensitive to team's success and therefore we find that better teams tend to collect and generate more revenues (22:188).

Results presentation and discussion of fourth question: What is the contribution percentage of non-sports performance to financial performance of Egyptian football clubs?

Table (11)

Results analysis of simple linear regression of non-sports performance contribution to financial performance of Egyptian football clubs

Independent variable	R	R^2	Regression coefficient	Standard error	B value	T value	Significance level	F value	Significance level
Fixed amount	0.878	0.771	6.858	1.286		5.332	0.000	443.682	0.000
Financial performance			3.322	0.158	0.878	21.064	0.000		

It is clear from table (١٦) that calculated "F" value is equal to (443.682) and is statistically significant at a significance level of 0.05, as significance level is equal to 0.00, which is less than a significance level of 0.05, and this indicates the impact of non-sports performance on Egyptian football clubs' financial performance, and this was confirmed by calculated "T" value and its significance level of (0.00), which is less than study's hypothetical level (0.05).

It is also clear that there is a statistically significant corelation between non-sports performance and the financial performance of football clubs, as values of correlation

coefficient (T) reached (0.878). This means that as non-sports performance improves, financial performance improves. It is also clear that there is a statistically significant effect between non-sports performance and sports performance, where non-sports performance contributes (77.1%) to financial performance, assuming other factors are constant, and this is a significant effect at a significance level (0.05).

The researcher attributes this result to the importance of non-sports performance, which is represented in club's operations off the field, such as managing effective relationships with sponsoring companies, marketing strategies, and brand building. It greatly affects the ability to attract audiences and sign profitable contracts with sponsorship companies, which contributes to improving financial performance.

This is consistent with study of Chadwick, S. (2009) (12), which indicated that sports clubs seek to maximize business operations off the field in light of pursuit of revenues. Despite this, reconciling between performance "on and off field" in professional team sports is not easy and has proven to be a very controversial issue in recent years.

Results presentation and discussion of fifth question: What is the contribution percentage of competitive balance to financial performance of Egyptian football clubs?

Table (12)

Results analysis of simple linear regression of competitive balance contribution to financial performance of Egyptian football clubs

Independent variable	R	R^2	Regression coefficient	Standard error	B value	T value	Significance level	F value	Significance level
Fixed amount	0.827	0.683	6.754	1.084		6.229	0.000	635.365	0.000
Financial performance			3.313	0.131	0.910	25.206	0.000		

It is clear from table (١٢) that calculated "F" value is equal to (635.365) and is statistically significant at a significance level of 0.05, as significance level is equal to 0.00, which is less than a significance level of 0.05, and this indicates impact of competitive balance on financial performance of Egyptian football clubs, and this was confirmed by calculated "T" value and its significance level of (0.00), which is less than study's hypothetical level (0.05).

It is also clear that there is a statistically significant correlation between competitive balance and financial performance of football clubs, as values of correlation coefficient (T) reached (0.827). This means that the better competitive balance, the better financial performance. It is also clear that there is a statistically significant effect between competitive balance and financial performance, where competitive balance contributes by (68.3%) to financial performance,

assuming other factors remain constant, and this is a significant effect at a significance level of (0.05).

The researcher attributes that competitive balance variable had the lowest contribution percentage to financial performance of football clubs, because competitive balance is generally understood as the strength of competition between teams in sports tournaments. In case of a high competitive balance, this means that teams have different chances of winning championships, which makes the tournament more exciting, and in any sports environment in which competitive balance is high, there is great interest from fans, sponsors, and media, which increases football clubs' financial resources. It is noticeable in Egyptian football that a small number of clubs dominate winning the league and cup championships, which thus weakens competitive balance of these championships.

This is consistent with study of Ahmed Al-Husseini, Mohamed Fathi (2021) (1), which indicated participants' awareness the Egyptian League of competition weakness in the league. In the Egyptian Football League, there is an understanding among league leaders of competitive balance reality, nature of competition within the league, and awareness of league's problems in general, especially financial and administrative reality.

Results presentation and discussion of Sixth question: What is the contribution percentage of management to financial performance of Egyptian football clubs?

Table (13)

Results analysis of simple linear regression of club's management contribution to financial performance of Egyptian football clubs

Independent variable	R	R^2	Regression coefficient	Standard error	B value	T value	Significance level	F value	Significance level
Fixed amount	0.915	0.837	7.885	1.238		6.368	0.000	446.003	0.000
Financial performance			3.384	0.160	0.878	21.119	0.000		

It is clear from Table (١٣) that the calculated "F" value is equal to (446.003) and is statistically significant at a significance level of 0.05, as the significance level is equal to 0.00, which is less than a significance level of 0.05, and this indicates the influence of club management on the financial performance of football clubs. The Egyptian foot, and this was confirmed by the calculated "T" value and its significance level of (0.00), which is less than the hypothetical level of the study of (0.05).

It is also clear that there is a statistically significant relationship between club management and financial performance of Egyptian football clubs, as values of correlation coefficient (T) reached (0.915). This means that the better club management, the better financial performance. It is also clear that there is a statistically significant effect on

club management and financial performance. The management contributes by (83.7%) to the financial performance, assuming other factors remain constant, and this effect is significant at a significance level of (0.05).

The researcher attributes club's management having the highest percentage of influence on financial performance of football clubs to link between financial performance and important strategic decisions, as directors' board makes strategic decisions that affect club's direction and financial policy. It also makes decisions regarding new investments, developing facilities, or expanding business activities, which affect revenues and costs. It also plays a major role in setting, following up and monitoring club's general budget to ensure that revenues and expenses are balanced.

This is consistent with study of Scafarto, V. and Dimitropoulos, P. (2018) (20), which indicated that there is an impact of directors' board on financial performance of European football clubs and stated that clubs with larger boards are more profitable and viable under pretext that larger boards are more monitoring of financial performance, while it indicated that smaller boards have a higher level of coordination and communication efficiency.

Conclusions:

- The order of factors influencing financial performance under research from sample's point of view was: management, sports performance, non-sports performance, and competitive balance.
- The order of financial performance elements under research from sample's point of view was: revenues, costs, regulations and laws, and investment.
- The management variable contributes 83.7% to financial performance of football clubs, assuming other factors are constant.
- The sports performance variable contributes 82.8% to financial performance of football clubs, assuming other factors are constant.
- The non-sports performance variable contributes 77.1% to financial performance of football clubs, assuming other factors are constant.
- The competitive balance variable contributes 68.3% to financial performance of football clubs, assuming other factors remain constant.

Recommendations:

- Paying attention to studying factors under research (sports performance, non-sports performance, competitive balance, management) when conducting financial planning and drawing up a financial strategy for the football club.
- Football clubs' need to be aware of difficulties associated with controlling revenues and expenses, which is a unique feature of football industry.
- Developing financial regulations for football clubs in accordance with developments in football industry.
- Strengthening financial resources of football clubs to confront

financial crises and improve financial performance.

- Proposing financial and administrative systems that would raise level of competitive balance in football tournaments
- The necessity of clubs seeking to enter into economically viable investments to ensure financial sustainability and survival in sports market.
- Developing commercial strategies that suit club's goals and balance club's revenues with its operating costs.

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