Exploración de la dinámica de la financiación, la influencia de los aficionados y el liderazgo y la gobernanza en el rendimiento de los clubes de fútbol
Exploring the dynamics of financing, fan influence, and leadership and governance in soccer club performance

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Abstract

Introduction: Managing football clubs is a challenging and rewarding experience, requiring a combination of leadership skills and strategic decision-making.
Objective: to examine the dynamics of financing soccer clubs, fan influence, leadership, and governance on Ethiopian Premier League soccer club performance.
Methodology: A correlational study was conducted. Twenty-one seven-point linker Amharic version questionnaires, known for their validity and reliability, were used from a sample of 307 participants selected through the simple random sampling method. Frequency, percentage, correlation, and multiple linear regression analyses (with a significance level of P < 0.05) were performed.
Results: The main finding revealed that football clubs (M = 5.55, SD = 1.28), leadership and governance (M = 5.21, SD = 1.62), and fan influence (M = 3.74, SD = 1.31). There is no significant association between fan influence (r = 307), .074, p > .005) and soccer club performance; unlikely financing has a significant correlation (r = 307), -.348, p < .001) with football club performance; and leadership and governance (r = 307), -.626, p > .005), with soccer club performance and all dependent variables can make a 45.4% prediction.
Discussion: These findings suggest that fan influence and financing soccer clubs play a crucial role in predicting the success of soccer clubs. The study highlights the importance of effective leadership and governance in driving club performance.
Conclusions: Fan influence and financing of football clubs play a significant role in predicting soccer club performance, while leadership and governance also have a strong impact.

Keywords

Fan influence; financing soccer clubs; governance; leadership; soccer club performance

Resumen

Introducción: La gestión de clubes de fútbol es una experiencia desafiante y gratificante, que requiere una combinación de habilidades de liderazgo y toma de decisiones estratégicas.
Objetivo: examinar la dinámica de la financiación de los clubes de fútbol, la influencia de los aficionados, el liderazgo y la gobernanza en el rendimiento de los clubes de fútbol de la Liga Premier de Etiopía.
Metodología: Se realizó un estudio correlacional. Se utilizaron veintiún cuestionarios de siete puntos de enlace en versión amárica, conocidos por su validez y fiabilidad, de una muestra de 307 participantes seleccionados mediante el método de muestreo aleatorio simple. Se realizaron análisis de frecuencia, porcentaje, correlación y regresión lineal múltiple (con un nivel de significancia de P < 0,05).
Resultados: El hallazgo principal reveló que los clubes de fútbol (M = 5,55, SD = 1,28), el liderazgo y la gobernanza (M = 5,21, SD = 1,62) y la influencia de los aficionados (M = 3,74, SD = 1,31). No existe una asociación significativa entre la influencia de los aficionados (r = 307), .074, p > .005) y el rendimiento del club de fútbol; la financiación poco probable tiene una correlación significativa (r = 307), -.348, p < .001) con el rendimiento del club de fútbol; y el liderazgo y la gobernanza (r = 307), -.626, p > .005), con el rendimiento del club de fútbol y Todas las variables dependientes pueden hacer una predicción del 45,4%.
Discusión: Estos hallazgos sugieren que la influencia de los aficionados y la financiación de los clubes de fútbol desempeñan un papel crucial en la predicción del éxito de los clubes de fútbol. El estudio destaca la importancia de un liderazgo y una gobernanza eficaces para impulsar el rendimiento del club.
Conclusiones: La influencia de los aficionados y la financiación de los clubes de fútbol desempeñan un papel importante en la predicción del rendimiento del club de fútbol, mientras que el liderazgo y la gobernanza también tienen un fuerte impacto.

Palabras clave

Influencia de los aficionados; financiación de clubes de fútbol; gobernanza; liderazgo; rendimiento de los clubes de fútbol.

Introduction

Football, also known as soccer, is one of the largest and most profitable sectors of the global entertainment industry (Miragaia et al., 2019). Internationally, soccer clubs have multiple objectives (Zambom-Ferraresi, Lera-López, & Iráizoz, 2017) or concurrent goals (Parganas et al., 2017). These goals and objectives were aligned with the resources invested in the club and what they have and want to achieve. Some clubs prioritize their performances in renowned leagues like the Premier League and prestigious tournaments such as the UEFA Champions League (Pérez-González, de Carlos, & Alén, 2022; Lozano & Villa, 2023), the final position in the league table, or the number of matches played in knockout tournaments (Zambom-Ferraresi et al., 2018). Whereas other clubs will have a social profile as an output (Pérez-González, de Carlos, & Alén, 2022), including the number of spectators who attend the matches, the number of registered fans, the number of fans who use the club brand, and stadium attendance (Perez-Gonzalez et al., 2022; Jiménez et al., 2023; Getnet, Melkamu, & Mengistu, 2024), or financial profile as an output (Pérez-González et al., 2022). Additionally, "professional football is more than just a form of mass commercial entertainment; it is a deeply embedded community activity that expresses and reinforces the cultural identities of large numbers of people (Armstrong & Hognestad, 2023; Morrow, 2023). As a transporter of values and ideas, football can strengthen communities and the foundation of human values like respect, tolerance, fairness, and equality (Amann & Doidge, 2023) and is a transparent tool to shed light on sensitive global social issues. These diverse and interplayed success parameters can influence the success of soccer clubs.

Out of all the aspects affecting success, and at the core of every football club, one goal reigns: to achieve the highest sporting success possible through game wins, table ranking, and, if applicable, international competition (Cruz, Schregel, & Zülch, 2022; Schregel, 2021; Zülch, Palme, & Kirsch, 2022). Several fixed factors influence goals, including league structure, governing association rules, transfer processes, and player pools, as well as variable factors like players, training, coaches, staff, management, environment, and facilities. The challenge then becomes how to synergize and integrate all aspects of team management and support staff to achieve the most sustained sporting success. Player development, team performance, player and coach characteristics, team diversity, head coach quality, and youth performances all play a role (Cruz et al., 2022). One of the main themes is a squad of players and coaches who work together well and can succeed. Without a dedicated team culture and strategy, teams have a hard chance of recovering from such disadvantages(Pérez-González et al., 2022; Zülch et al., 2020). Another factor that is not directly considered due to its low statistical significance but is still extremely important for future generations transitioning to professional ranks is youth development (Toering, & Gustafsson, 2018). This is extensively studied but is fulfilled by financing football clubs, fan influence, and leadership and governance.

Peeters and Szymanski (2020) conducted an empirical analysis of European football leagues and found that clubs that maintained strong financial health, had effective governance, and maximized fan engagement experienced more stable performances over time. This study examines the effects of financing soccer clubs, fan influence, and leadership and governance of soccer clubs'performance. In 2022, the football industry generated total revenue of US$ 403 billion U.S. dollars (Gough, 2024). This massive industry includes the people and activities involved with producing, facilitating, and organizing sports activities. The 'Big Five' leagues, including the English Premier League, the German Bundesliga, the Spanish Liga, the Serie A Italian Calcio, and the French Ligue One, account for 54% of the total football market revenues (Drust & Slack, 2024). European football boasts a rich historical tradition marked by iconic leagues like the English Premier League and historic events defining the sport's landscape. Furthermore, clubs invest significantly in player salaries and bonuses to maintain high-performance levels and attract top-tier players. For example, Manchester City F.C. allocated £213,044,000 for player salaries and bonuses in the 2024/25 season, showcasing their commitment to acquiring top talent.

Furthermore, the intricate link between financial success and on-field performance in soccer clubs directly affects resource allocation, sponsor engagement, and strategic decision-making. For instance, successful clubs attract lucrative sponsorship deals and can allocate resources effectively to enhance player performance. In essence, the relationship between financing football clubs and players' performance is multifaceted, with different studies emphasizing various aspects of this complex

dynamic. Financial performance indicators such as return on assets and liquidity are positively correlated with sporting success, suggesting that better financial management can enhance players' performance on the field (Rompotis, 2024; Simone & Zanardi, 2021). Also, stable sporting results correlate positively with financial performance, impacting profit maximization and resource management (Sari & Ainun, 2024). Key factors such as liquidity, leverage, player trading activities, wages, and home-grown talent are crucial in shaping the connection between financial aspects and player performance (Platonov, & Kuzyaey, 2023). Research shows a nonlinear relationship between player salaries and performance, highlighting the importance of team dynamics and relative income levels in determining player effectiveness (Abbas, 2022). Furthermore, studies (Sari & Ainun, 2024; Abbas, 2022) emphasize the importance of clubs understanding these dynamics to improve their financial strategies and athletic achievements. While financial performance can impact players' on-field performances, it is important to note that this relationship varies among different clubs (Alaminos et al., 2020). The relationship between players' salaries, benefits, bonuses, services, club characteristics, and club performance has been extensively studied in well-established leagues but is not inclusive.

The presence or absence of crowd support has a significant correlation with both players' performance and football clubs' overall performance, as evidenced by various studies. The presence of crowd support significantly influences both a player's and team's performance in football. Studies indicate that home advantage is markedly enhanced when crowds are present, with home teams winning over 66% of points compared to 57% in empty stadiums(Dellagrana, Nunes, & Silva, 2023).Additionally, the absence of fans can lead to improved performance for players from discriminated groups, as evidenced during the COVID-19 lockdown in Italy, where African players performed better without the pressure of crowd harassment (Caselli, Falco, & Mattera, 2023).Furthermore, moral support from fans is crucial; visiting teams are about 20% more likely to lose without their supporters, highlighting the psychological impact of crowd presence (Colella, Delton, & Giusit, 2018; Colella et al., 2021).Overall, crowd dynamics, including size and density, play a vital role in shaping competitive outcomes in football (Inan, 2020). Although Garcia and Llopis-Goig (2021)studied fan engagement in the leadership and governance of football fans in six European countries (United Kingdom, Spain, Turkey, Poland, France, and Germany), they found that clubs that maximized fan welfare through initiatives such as family-friendly match day experiences, transparent communication, and community involvement had higher attendance rates and increased merchandise sales. This directly impacted on their financial bottom line and created a more supportive atmosphere for the players, leading to better on-field performance. These findings highlight the crucial role of crowd support in enhancing team performance and highlight the significant impact of a lack of fans on the performance of professional soccer clubs.

Leadership and governance can significantly influence the performance of clubs *(*Zülch et al., 2022*)*. This highlights the intricate relationship between leadership, governance, and soccer club performance, emphasizing the importance of effective strategies and transparent leadership behavior to enhance club performance and supporter engagement. A study by Hamil et al. (2019) on the governance of English Premier League clubs found that clubs with strong, transparent governance structures and well-defined leadership roles performed better, both financially and on the pitch. Effective governance prevented mismanagement and promoted strategic decision-making, which led to better player development and competitive success. Also, Mason and Holt (2021)emphasized that leadership and governance issues, combined with poor financial management, were the primary reasons for underperformance in several African football clubs. Effective leadership and governance are crucial for enhancing employee performance in various organizations, including football clubs. Research indicates that strong leadership strategies, effective communication, and conflict management significantly influence players' motivation (Rachmawati, 2024; Sokolić et al., 2024). It fosters a positive organizational culture, which is essential for achieving strategic goals (Ouma, 2024); effective communication enhances collaboration and trust among team members, facilitating a supportive environment that encourages engagement and accountability (Manoharan & Ashtikar, 2024). By integrating these elements, football clubs can create a framework that not only improves performance but also aligns with their governance structures, ensuring that actions taken are accountable and directed towards common objectives (Rachmawati, 2024; Ouma, 2024). Therefore, a combination of strong leadership, effective governance, clear communication, and conflict

management strategies, along with appropriate leadership structures, can positively influence the performance of football clubs.

In addition, recent studies have examined financing performance, fan-welfare maximization, leadership and governance, and sporting success in *the* Big Five leagues. However, all previous studies focused exclusively on the big five leagues established ones, and emerging soccer industry leagues. Contrarily, in Ethiopia, almost all (90%) football clubs were governed by government entities (i.e., city Mayer, zonal administration, regional and corporate) Getnet et al., (2024), which is unique to previous studies. Mean that all funds were allocated by government entities for services, accommodation, transfer, registration, payment etc. Therefore, it's difficult to examine financial performance rather than the perception/satisfaction of football players and their effect on football club performance. Unlike previous studies, the influence of fans was examined in this study by examining the perception of players on the influence of fans (history of the club, fan attendance, sports jerky, and social media). Additionally, here, we also examine how the perception of soccer players on their club's leadership and governance affects their club performance. Therefore, this paper examined the effects of financing soccer clubs, fan influence, leadership, and governance on soccer club performance. We aim to contribute to a better understanding of the success factors of Ethiopian professional soccer clubs. Furthermore, the objective is to add recent findings to prior research on the effects of financing soccer clubs, fan influence, leadership, and governance on soccer club performance from other viewpoints that can help identify the overarching patterns of soccer club performance.

Figure 1.Conceptual framework of the effect of financing soccer clubs, fan influence, leadership, and governance on *EPL* soccer clubs' performance
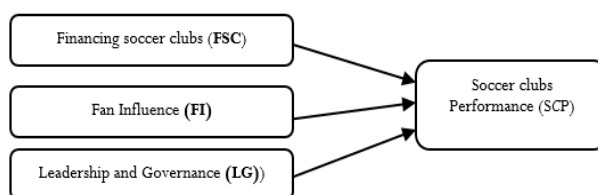
Therefore, this study examined the effects of financing football clubs, fan influence, leadership, and governance on the performance of soccer clubs in Ethiopian Premier League (EPL) soccer clubs. Specifically, answer the following specific research questions:

1. Is there a significant mean effect of financing soccer clubs, fan influence, and leadership and governance on EPL soccer club performance?
2. Are there relationships between EPL soccer club financing, fan influence, leadership and governance?
3. How much do financing soccer clubs, fan influence, leadership, and governance affect the prediction of EPL soccer club performance?
4. What are the potential predictors of club performance that can predict club performance in terms of financing EPL soccer clubs, fan influence, and leadership and governance?

Method

This study falls under the positivist paradigm, focusing on a singular and identifiable truth and reality (Evans et al., 2021). It uses objectivity to provide answers that are both technical and neutral and can be generalized. The deductive approach makes facts available by employing psychometric tests. On top of that, correlation design is crucial in measuring sporting success in football clubs, as it allows for the comprehensive assessment of various dimensions impacting performance, which is "congruence" between epistemological and ontological viewpoints (Morse, 2020). This study involved quantitative research that involves describing research problems by analyzing trends, explaining relationships among variables, and collecting numerical data from a large sample using predefined instruments with

questions and responses. Specifically, the researcher focused on detecting and describing relationships among financing football clubs, fan influence, leadership, and governance, on the performance of football clubs. The techniques employed in this study include correlation analysis, linear regression, and multiple regressions, each serving a specific purpose in analyzing the data. Correlational techniques are valuable for identifying and quantifying the strength and direction of relationships among financing football clubs, fan influence, leadership and governance, and the performance of football clubs. Moreover, these techniques allow for the estimation of financing football club scores by considering other variables and predicting team performance based on a combination of factors.

The study was conducted following the tenets of the Helsinki Declaration (as revised in 2013) and has been approved by the Hawassa University College of Natural and Computational Research Ethics Review Committee (*CNCS-REC002/24*). Informed consent was obtained from the participants in written and oral forms explaining the methodology and rationale of the study.

Participants

Table 1. Frequency and percentage of participants (N = 307 [100%]).

		Frequency	Percent
Age of Participants	18—22	20	6.51
	23—27	112	36.48
	28—32	147	47.88
	33—38	28	9.12
Nationality	Ethiopian	274	89.25
	Non-Ethiopian	33	10.74
Experience in Primer league level	1--3 years	39	13
	4--6 years	112	36
	7--9 years	129	42
	<-10 years	27	9

The study involved a sample of 307 soccer players from the Ethiopian Primer League from 2022/23 to 2023/24 G.C., consisting of 20 (6.51%), who were aged 18 to 22; 112 (36%); 23 to 27; 147 (48%); 28 to 32; and 28 (9%), who were aged 33 to 38 years old. Among them, 274 (89.25%) were of Ethiopian nationality, and 33 (10.74%) were not. And their experience in the league was 1 to 3 years; 39 (13%) were 1 to 3 years; 112 (36%) were 4 to 6 years. 129 (42%) were 7 to 9 years old, and 27 (9%) were more than 10 years old for the experience in the league.

Instrument

A short version of the 21 Amharic version items on financing football clubs, fan influence, and leadership and governance adopted fromGetnet et al. (2024)was utilized, ranging from [1] strongly disagree to [7] strongly agree. The performance of football clubs was assessed based on the total points earned by the end of the 2023/24 season. The data were collected by the researcher face-to-face around the reserved hotel and stadium before the team's game from February 8 to 21, 2024. All participants were informed of the study's benefits and drawbacks during data collection.

Table 2. Reliability of Instruments

Variable	N items	α
Fan influence (FI)	7	.933
Financing football clubs (FFC)	8	.945
Leadership and governance (LG)	7	.957

The researcher gathered input from five expert groups i.e. measurement and evaluation instructors; statisticians; linguistics experts; sports management professionals; and *the* Ethiopian Professional Footballers Union for face and content validity of the instruments before piloting. The pilot test aimed to assess the reliability and validity of the developed scales in measuring specific constructs related to fan influence, financing football clubs, and leadership and governance. The pilot test employed a quantitative approach through the distribution of structured questionnaires, which allowed for a systematic evaluation of internal consistency and reliability, leading to insightful findings. The pilot test results demonstrated that the fan influence subscale (α = 0.933), the financing football clubs subscale (α = 0.945), and the leadership and governance subscale (α = 0.957) all surpassed the predefined thresholds for reliability and internal consistency, indicating robust measurement properties.

Data analysis

The reliability and normality of the distributions were checked using the Cranach alpha and Kolmogorov Smirnov tests. The result shows all reliable with ($\alpha > .933$) and normally distributed (K-S $p > 0.05$); therefore, later statistical analyses were adapted accordingly. Frequency, percentage, correlation, and regression analyses were performed. The associations were evaluated and interpreted as follows: 0.1–0.3 small; > 00.3–0.5 moderate; > 00.5–0.7 large; > 00.7–0.9 extremely large; and > 00.9–1.0 perfect (Hopkins et al. 2009). All analyses were performed using Statistical (IBM SPSS, version 26), and the significance level was set to $p < 0.05$.

Advanced regressions and the general linear model (GLM) will be used to demonstrate how financial performance, fan welfare maximization, leadership and governance, and sporting success can all predict and be associated with sporting success in football clubs.

i.e., FCP= $\acute{\alpha}$ + β1 (FSC) + β2 (FI) + β3 (LG) + EIT.
       FCP=Football club performances
       $\acute{\alpha}$=constant
       β1 (FSC) = Financial soccer clubs
       β2 (FI) = Fan influence
       β3 (LG) = Leadership and Governance
       EIT =is the residual error in the regression

As a result, regression analysis will determine the extent to which the cumulative variable predicts and investigate its single effect.

Results

A total of 307 completed items were organized and presented in alignment with ethical guidelines.

Table 3.Which Variable Has the Mean Effect on the Success of a Soccer Club?

Descriptive Statistics			
Items	N	M	SD
Fan influence	307	3.74	1.31
Financing football clubs	307	5.44	1.28
Leadership and governance	307	5.21	1.62

Note: N (number of participants), M (mean), SD (standard deviation)

Table 3 presents the mean results for financing football clubs (M = 5.55, SD = 1.28), leadership and governance (M = 5.21, SD = 1.62), and fan influence (M = 3.74, SD = 1.31), which were found to have the most significant effect on the success of football clubs, closely followed by leadership and governance. The influence of fans also plays a noteworthy role in determining a club's performance. Overall, financial stability and strategic decision-making are crucial to success in a competitive environment.

Table 4.Correlation Analysis

	N	FI	FFC	LG	FCP
Fan influence	307	1			
Financing football clubs	307	.520**	1		
Leadership	307	.199**	.527**	1	
Football clubs' performance	307	.074	-.348**	-.626**	1

**. The correlation was significant at the 0.01 level (2-tailed).

Table 4 presents *a P*earson correlation examination of the relationships between independent and dependent variables. There was no significant difference between the fan influence (r = (307), .074, p >.005) and the performance of the soccer club; financing football clubs can have a moderate degree of association (r = (307), -.348, p <.001) with the performance of the football club and there is a large degree of correlation between leadership and governance (r = (307), -.626, p >.005) and football club performance. Therefore, understanding fan influence, financing football clubs, and leadership and governance is crucial for predicting and devising strategies for football for football clubs' performance.

Table 5. Cumulative Model fit

Model Summary					
Model	R	R^2	Adj. R^2	Err. Est.mate	P
1	.673a	.454	.448	6.68382	.001

a. Predictors: (Constant), FI, FFC, and LG

Table 5 presents the cumulative model fit and reports the cumulative effect of the three variables' predictions on club performance. Three predictors explained a significant proportional variance in soccer club performance cumulatively: $R^2 = .454$, $F(3, 303) = 83.827$, $p < .01$.

Table 6. Summary of Regression Model Fit for Individual Shares

	Model summery				
	Model	R	R^2	Adj. R^2	P
FFC	1	.074a	.006	.002	.194
LG	2	.348a	.121	.118	.000
FI	3	.626a	.392	.390	.000

a.   Predictors: constant (FI), (FFC), and (LG)

Table 6 explicitly reports how much each variable can predict club performance and is presented in models 1, 2, and 3. Financing football clubs $R^2 = .121$ $F(1, 305)$ 41.99, P >.001; leadership and governance $R^2 = .626$ $F(1, 305)$ 196.90, P >.001 significantly predicted the clubs' success, but fan influence was not $R^2 = .006$ $F(1, 305)$ 1.69, P <.005.

Table 7. Standardized Beta Coefficients

Coefficientsa			
	B	T	P
FI	.290	5.806	.000**
FFC	-.192	-3.324	.001**
LG	-.583	-11.613	.000**

a. Dependent Variable: FCP

Table 7 reports the standardized beta coefficient and t-value and indicates how much direction-dependent variables can predict dependent variables. Fan influence $\beta = -.290$, $t(307) = 5.806$, $p < .001$; financing football clubs $\beta = -.192$, $t(307) = -3.324$, $p < .001$, and leadership and governance $\beta = -.583$, $t-11.613(307) =$, $p < .001$ significantly predicted soccer club performance

Discussion

This study aims to examine the effect of financing football clubs, fan influence, leadership, and governance on the performance of football clubs. Although earlier studies have been conducted in the big five emerging economies, and developed nation leagues, the ones they studied have not compressively addressed them. We examined the effects of financing soccer clubs, fan influence, and leadership and governance on soccer club performance in EPL soccer clubs. Financing soccer clubs, fan influence, and leadership and governance scores were calculated against the independent variable, and the aggregate point in the league is a dependent variable. The main results were that financing football clubs has the most significant effect on football club performance, followed by leadership and governance, and fan influence. There was a negative correlation between financing football clubs and leadership and governance on the performance of football clubs. Unlikely fan influence did not show a significant correlation with the performance of football. Additionally, the regression model result reports 45.2% of the predicted performance of soccer clubs. Looking at a single contribution of the predictors, fan influence can be positively predicted, whereas financing the soccer club and leadership and governance make an inversely significant prediction of the performance of a soccer club. Understanding these effects can help soccer clubs tailor their objectives. Additionally, this study provides a solid foundation for further investigation into these relationships.

Table 3 reports the mean effects of independent variables to predict the performance of football clubs; as a result, financing football clubs (M = 5.55, SD = 1.28), leadership and governance (M = 5.21, SD = 1.62), and fan influence (M = 3.74, SD = 1.31) was discovered that funding had the biggest influence on football clubs' success, with governance and leadership coming in second and fan influence having the

least impact. Overall, the study highlights the importance of financial stability in football clubs, as well as the impact of effective leadership and governance. Additionally, it suggests that fan influence may play a smaller role in determining the success of football clubs compared to other factors. Although studies by (Dharma (2022); Granzotto et al. (2023); Dellagrana, Nunes, & Silva (2023); Rachmawati (2024); and Ouma (2024)found that payroll of players, budgeting, home advantage, leadership, and governance can affect the performance of football clubs. Our findings collectively emphasize the complex mean effect among financing football clubs, fan influence, leadership and governance, and football club performance. Similarly, Malagila et al., (2021); Ruta, Lorenzon, & Sironi, (2020); Sari & Ainun, (2024); and Abbas, (2022)revealed the effect of financing, fan attendance, leadership and governance in players' performances on the club's success. In addition, these studies highlight the importance of recognizing the different reasons for the performance of football clubs, whether for financing, fan influence, or leadership and governance. Our findings suggest that financing can have the primary effect on soccer club performance. As such, it is crucial for clubs to carefully consider their financial strategy to maximize their chances of success.

Correlation analysis reports the relationships between independent variables, i.e., financing football clubs, fan influence, leadership and governance, and dependent variables (football club performance). It helps to determine which factors have a significant impact on the performance of football clubs. By analyzing these relationships, clubs can make informed decisions to improve their overall success on the field. There is a significant moderate correlation between financing football clubs and football club performance (r = (307), -.348, p <.001). This suggests that as financing increases, football club performance tends to decrease. It is important for clubs to carefully manage their finances to maintain or improve their performance on the field. This negative correlation could be that clubs overspend on player salaries or transfer fees, leading to financial instability. By implementing strategic financial planning and budgeting, clubs can ensure long-term success both on and off the field. In turn, this stability can positively impact player morale and team chemistry, ultimately leading to improved performance and results on the pitch. However, recent studies by Di Simone and Zanardi (2022); Rompotis (2024); and Alaminos et al. (2020), there is a stable and significant association between sports results and financial performance. However, impacting profit maximization and resource allocation for improved sports outcomes is unlikely, according to Margareta & Malinda (2022). This suggests that while financial resources may influence the performance of football clubs, even though it requires a holistic approach that considers various aspects of club management, it is necessary for achieving sustained success in sports.

Leadership and governance can have a large degree of significant correlation between football club performance (r = (307), -.626, p >.005). This suggests that effective leadership and governance within a football club can greatly impact its overall performance on the field. Clubs must prioritize strong leadership and governance structures to achieve success.Similar findings were reported by various researchers, including Gallucci &Tipaldi (2024), Costa, Simoes, & Perin (2022), Malagila, Zalata, Ntim, &Elamer (2021), Ruta, Lorenzon, & Sironi (2020), Malagila et al. (2021), which shows that good conflict management, communication, and transparency can have a significant association on football clubs' performance. These studies emphasize the complex connection between leadership, governance, and the prosperity of football clubs. The reports stress the significance of effective strategies and transparent leadership in improving club performance and engaging supporters. Additionally, they suggest that transparent leadership and effective governance are crucial for fostering supporter loyalty, enhancing club performance, and ensuring long-term success.

Additionally, this suggests that financing, leadership and governance can play a more significant role in determining the performance of football clubs than fan influence alone. Fan influence is insignificantly correlated with the performance of soccer clubs (r = (307), .074, p >.005). The limited impact of fans on football clubs is influenced by the format of the competition; political unrest, political integration, politically owned clubs, and corrupted fan associations can hinder the fans from attending soccer games in the Ethiopian football industry and ultimately impact the financial stability and performance of the clubs. There was no significant correlation found between fan influence and soccer club performance. Contrarily, studies by Chen, Zhai, Xi, Li, Zhang (2022), Ferraresi, Gucciardi (2020), Sidlauske, Usas (2023), and Zou (2023) indicate a significant correlation between crowd support and player as well as club performance. These results emphasize the critical role of crowd support in boosting team performance and underscore the negative impact of fan absence on the performance of

professional soccer clubs. Several studies have demonstrated a strong correlation between crowd support and player performance, as well as the overall performance of football clubs.

The regression model fit cumulatively: financing football clubs, fan influence, leadership, and governance can have (R^2 = .454, F (3, 303) = 83.827, p <.01), which is a 45.4% significant proportional variance explained by the football club's performance, whereas the remaining 54.6 % were not depicted in this study. This suggests that the factors included in the analysis were able to account for a moderate portion of the variations observed in the data; however, other variables were still present that were not addressed. Further research is necessary to explore these additional factors and their prediction of the performance of football clubs. Additionally, this highlights the complexity of the topic and the need for a more comprehensive approach in future investigations. This level of variance suggests that strong underlying factors influence the outcomes measured in this study. This study is also in line with the studies of Alaminos et al. (2020); Moustakidis et al. (2023); Ika et al. (2021); and Gallucci &Tipaldi (2024), which are that financing, fandom, and leadership and governance significantly predict the performance of football clubs, even though the degree, level of the league nature of participants, and fixture of the event vary. Further research is necessary to explore these additional factors and their impact on the outcome of the study. Additionally, this highlights the complexity of the topic and the need for a more comprehensive approach in future investigations.

Looking at the predictive power of a single variable on the performance of football clubs and explicitly reporting on it in models 1, 2, and 3. In model 1, financing football clubs R^2 =.121 F (1, 305) 41.99, P >.001; in model 2, leadership and governance R^2 =.626 F (1, 305) 196.90, P >.001; and in model 3, R^2 =.006 F (1, 305) 1.69, P <.005. These models provide a more detailed breakdown of the predictive power of different variables on club performance. These results suggest that leadership and governance have a significantly higher predictive power on club performance compared to financing football clubs. Additionally, the low R^2 value in model 3 indicates that the variable being examined has a minimal impact on predicting club performance. The standardized beta coefficient and t-value measure the strength and significance of the relationships between independent and dependent variables in the analysis. Fan influence β = -.290, t (307) = 5.806, p <.001, suggesting that fan influence has a significant negative impact on club performance. This underscores the significance of implementing targeted fan engagement strategies, such as social media campaigns or loyalty programs, to boost overall club success. Financing football clubs β = -.192, t (307) = -3.324, p < .001, implying that financing football clubs also have a significant negative impact on club performance. This suggests that financial stability and management are crucial factors to consider in enhancing a club's success. Leadership and governance β=-583, t (307) = -11.613, p<.001, indicating that leadership and governance play a critical role in determining club performance. Clubs must establish robust leadership and governance frameworks to optimize their performance both in the field and in managing their operations. This study is also in line with the studies of Alaminos et al. (2020); Moustakidis et al. (2023); Ika et al. (2021); and Gallucci &Tipaldi (2024), which are that financing, fandom, and leadership and governance significantly predict the performance of football clubs, even though the degree, level of the league nature of participants, and fixture of the event vary.These findings suggest that prioritizing leadership and governance over fan influence and football club funding in management strategies can lead to better predictions of club performance.

This study examines the effects of financing soccer clubs, fan influence, leadership and governance on the performance of soccer clubs in the EPL.A limitation of this study; we highlight the inability to generalize the results to the entire Ethiopian population because of the lack of a representative sample. Further investigations in the Ethiopian context must be conducted to determine the effects of soccer clubs' performance by adding other variables. Another limitation pertains to the lack of analysis of the inter-relationship between the independent variables and their impact on the performance of football clubs. However, long-term studies may be needed to confirm its effect, especially by adding additional variables. This study shows financing football clubs has the most significant effect on football club performance, followed by leadership and governance, and fan influence. Financing football clubs and leadership and governance have a significant correlation with the performance of football clubs but not fan influence and cumulatively, 45.2% of the predicted performance of soccer clubs. Players, coaches, club managers, clubs, the Ethiopian Football Federation, researchers, and academicians may benefit from this fact. Future studies may explore including more variables that

reflect the current format and trends. Our findings provide conclusive evidence that this phenomenon is associated with performance of football clubs.

Conclusions

This study examined the dynamics of financing soccer clubs, fan influence, and leadership and governance on the performance of a soccer club. The key findings reveal that financing football clubs has the most substantial impact on club performance, followed by leadership and governance, and fan influence. Additionally, financing and leadership have a significant correlation with club performance, while fan influence does not. Collectively, these factors account for 45.2% of the predicted performance of soccer clubs. When considering the individual contributions of each factor, fan influence can be positively predicted, whereas financing and leadership make an inversely significant prediction of soccer club performance. Understanding these effects can assist soccer clubs in customizing their objectives.

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