

## ASSESSMENT OF THE ROLES OF FINANCIAL INSTITUTIONS ON SPORTS DEVELOPMENT IN KATSINA STATE, NIGERIA

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### Abstract

This study assessed the roles of financial institutions on sports development in Katsina state. One objective, research question and hypothesis were formulated to guide the study. A descriptive survey design was adopted. The population of the study was 512 athletes, coaches, referees and sports managers selected across the state. Stratified sampling technique was used to select 342 respondents as the sample of the study. A self-developed questionnaire on assessment of the roles of financial institutions towards the sports development in Katsina state (AROFITSDI-KTS) was used as the instrument for data collection. Using Cronbach alpha, the instrument yielded a reliability coefficient of 0.80. Mean and percentage was used to answer the research question, while Chi-square was used to test the formulated hypothesis at 0.05 level of significance. Findings of the study revealed that, there is a significant relationship between funding and sports development in Katsina state. The study concluded that financial institutions play a significant role in sports development in Katsina state. The study recommended that government and other relevant stakeholders should put emphasis on the need for increased engagement from financial institutions to promote sports activities in the state.

**Keywords:** Roles, Financial Institutions, Sports Development.

### Introduction

Katsina State has a deep-rooted history of sports, blending traditional activities with modern games. Despite challenges, the passion for sports in the state remains strong, with football, athletics, and traditional wrestling taking center stage. With increased investment and focus on grassroots development, the state has the potential to produce world-class athletes and gain greater recognition in Nigeria's sports landscape. Sports development being the process of improving and advancing sports programs and activities in a particular region or country in the globe, it aims to provide opportunities for individuals to participate in sports, develop their skills and abilities, and achieve their full potential (Matazu, 2021).

The development of sports in the world involves various factors, including the provision of facilities, funding, coaching, and training programs, and the development of policies that promote sports activities. Governments, sports organizations, and other stakeholders play a crucial role in sports development by providing support, resources, and infrastructure to

promote sports activities (Sagatova, 2018). Sports development has numerous benefits, including the promotion of physical and mental health, the development of teamwork, dedication, and discipline, and the promotion of social cohesion and unity. It also provides opportunities for individuals to showcase their talents and abilities, and it can lead to the discovery of new talents and the development of professional athletes (Crowford, 2015).

Financial institution is an establishment that conducts financial transactions such as investments, loans and deposits. Almost everyone deals with financial institutions on a regular basis. Everything from depositing money to taking out loans and exchanging currencies must be done through financial institutions. According to Mishkin and Eakins (2012). Without them, financial markets would not be able to move funds from people who save to people who have productive investment. In financial economics, a financial institution is an institution that provides financial services for its clients or members. Probably the most -important financial service provided by financial institutions is acting as financial intermediaries. The Financial institutions facilitate the flow of money through the economy. Most financial institutions are regulated by the government. Andreff, (2019) maintained that financial institutions play a critical role in sports development by providing funding, financial services, and strategic partnerships that enhance infrastructure, promote events, and support athletes.

### **Statement of the problem**

Sports faces a number of challenges and obstacles due to lack of sponsorship, funding and provision of equipment for sports development (Matazu, 2021). This might be due to some financial institutions lapses which prevent the sport activities from featuring as expected. Also there are number of financial parameters which require effective mobilization before and during competitions. The financial parameters according to Andreff (2019) include funding, facilities and equipment) sponsorship. It is not certain if these parameters are adequately considered in the finance. Hence there is a great need to carry out a study to investigate the various roles plays by financial institutions towards sports development and to bridge the gap that exit in Katsina state. It is against this background the researcher carried out the research to assess the roles of Financial Institutions towards the development of sports in Kastina State, Nigeria and suggest the relevant ways of developing favourable atmosphere for sports development in the state. (Matazu, 2021).

### **Objective of the Study**

The study was guided by the following objective:

1. To assess the roles of financial institutions in funding of sports in Katsina state.

### **Research Question**

The study answered the following question:

1. What are the roles of financial institutions in funding of sports in Katsina state?

## Hypothesis

The study tested the following hypothesis:

1. There is no significant relationship between financial institutions and funding of sports for development in Katsina state.

## Methodology

This research work adopts survey design which involves the use of questionnaires. Population for the study was 512 athletes, coaches, referees and sports managers in Katsina State Sports Council 2023. The study also sampled 342 respondents as a sample using stratified sample technique. The instrument used for data collection was researcher developed questionnaire named (AROFITSDDI-KT). The questionnaire structured on a modified four point Likert Scale type of Strongly Agree (SA) 4 points, Agree (A) 3 points, Disagree (SD) 2 points and Strongly Disagree (DA) 1 point. In addition, the questionnaire was validated by experts of sports management in the Department of Human Kinetics and Health Education, Federal University, Dutsin-Ma, Katsina State. While the reliability of the instrument was 0.80 obtained using Cronbach Alpha. Finally, mean and percentage were used to answer the research question while Chi-square statistics was used to test the formulated hypothesis at the 0.05 alpha level.

## Results

**Question 1:** What are the roles of financial institutions in funding of sports in Katsina state?

**Table 1: Roles played by financial institutions in sports funding towards sports development in Katsina state**

SN	Roles	Agree (%)	Disagree (%)	Mean
1	If financial Institutions can provide funds for sports programmes sports can be developed in Katsina State.	271 (85.4)	46 (14.6)	3.17
2	An association that have Special funds for sports and sporting activities can perform better than those that don't have.	259 (81.6)	58 (18.4)	3.11
3	Funding of sports and sporting activities by the Financial Institutions in Katsina State would no doubt develop sports.	216 (68.1)	101 (31.9)	2.87
4	Financial institutions in the state pay medical bills among your association mates for sports and sporting development.	88 (27.8)	229 (72.3))	2.11
5	Financial institutions in the state pay transport bills while attending away sport competitions within the country or abroad.	43 (13.5)	274 (86.5)	1.84
	Cumulative Aggregate	877 (55.0)	708 (45.0)	2.62

The table 1 presents respondents' opinions on the roles of financial institutions in sports funding and their impact on sports development in Katsina state. A large majority of the respondents (85.4%) agree that financial support from institutions could significantly contribute to sports development in Katsina State. The high mean score of 3.17 suggests a strong consensus on this point, indicating the perceived importance of financial backing for sports programs. Most respondents (81.6%) believe that associations with dedicated sports funding perform better than those without such resources. The mean score of 3.17 supports the view that financial investment in sports directly correlates with better performance, highlighting the importance of targeted financial support.

Although still a majority (68.1%), there is slightly less agreement on this statement compared to the first two. The mean score of 3.17 reflects moderate agreement that financial institutions' involvement in funding would drive sports development, though a substantial portion (31.9%) expressed doubt. A significant majority (72.3%) disagree that financial institutions are contributing to paying medical bills related to sports development. The low mean score of 3.17 suggests that financial institutions are perceived as playing a minimal role in covering medical costs, which could be a gap in support for athletes and sports development. Only 13.5% of respondents agree that financial institutions pay for transport to sports competitions, with the vast majority (86.5%) disagreeing. The very low mean score of 3.17 indicates that transport funding is almost non-existent, suggesting this is a significant area where financial institutions are not contributing to sports development.

On the other hand, while more than half of the respondents (55.3%) believe that financial institutions play a role in funding sports development in Katsina state, the cumulative mean score of 2.62 indicates moderate overall agreement. The strongest support is for the potential impact of financial institutions in developing sports programs and boosting association performance through dedicated funding. However, there is clear dissatisfaction with the role of financial institutions in covering medical and transport costs, highlighting gaps in their current contributions to sports development. The respondents generally agree that financial institutions have the potential to play a vital role in sports development in Katsina state through funding. However, their current contributions, especially in areas like medical and transport expenses, are perceived as insufficient, indicating a need for these institutions to increase their involvement in specific aspects of sports support.

**H<sub>01</sub>:** There is no significant relationship between financial institutions and funding sports for development in Katsina state.

**Table 2:** Chi-square results of relationship between the role of financial institutions in funding sports and sports development in Katsina state.

Items	N	$\chi^2$	df	p-value	Alpha	Decision
Financial institutions						
Sports funding	317	642.681	12	0.000	0.05	Reject

The hi-square test was conducted and presented in table 2 to determine whether there is a significant relationship between the role of financial institutions in funding sports and the development of sports in Katsina State. The Chi-Square Value obtained is 642.681 at degrees of freedom of 12 and p-value of 0.000. Since the p-value is less than the significance level ( $\alpha = 0.05$ ), the result is statistically significant. Given that the p-value is less than the alpha level (0.05), the null hypothesis 1 ( $H_{01}$ ) is rejected. This means there is sufficient evidence to conclude that there is a significant relationship between the role of financial institutions in funding sports and sports development in Katsina state. The results of the chi-square test indicate that financial institutions' funding plays a significant role in the development of sports in Katsina state. This suggests that increasing financial support from these institutions could positively impact the growth and improvement of sports within the region.

### **Discussions of Findings**

The results indicate a significant relationship between the funding provided by financial institutions and sports development in Katsina state ( $\chi^2 = 642.681$ ,  $p = 0.000$ ). This aligns with findings from other studies that emphasize the importance of financial support in the growth of sports programs. According to Ogunlana, 2019. This finding aligns with research that emphasizes the importance of adequate funding for sports programs. For instance, Imam et al. (2021) found that inadequate funding significantly hinders sports development in primary schools in Katsina state, suggesting that financial institutions play a crucial role in enhancing sports initiatives (Imam, The analysis also identified a significant association between the provision of sports facilities and equipment by financial institutions and sports development ( $\chi^2 = 63.108$ ,  $p = 0.000$ ). This is consistent with research demonstrating that adequate infrastructure is essential for encouraging athlete participation and fostering overall sports growth (Obi, 2018). Facilities such as well-maintained training grounds and proper equipment are vital for enhancing athlete performance and sustaining regular sports engagement (Musa & Akinbami, 2017). However, in Katsina state, the current level of facility provision by financial institutions falls short of the growing demand, potentially limiting the state's sports development potential. Dalung (2016) similarly highlighted the importance of adequate facilities in grassroots sports development through government donations to primary schools, underscoring the need to nurture talent from the foundation. A significant difference was observed between the role of financial institutions in sports sponsorship and the level of sports development ( $\chi^2 = 208.737$ ,  $p = 0.000$ ). While these institutions do provide sponsorship for some sports activities, their overall influence on sports development appears limited. This gap aligns with Mattazu (2021) argument that sponsorship alone, without an integrated strategy involving infrastructure development and long-term planning, is insufficient to sustain sports growth. The findings highlight the need for a more strategic and coordinated approach to sports sponsorship in Katsina state, one that aligns financial contributions with clear developmental goals. Sponsorship should extend beyond short-term promotional efforts to include support for building sports infrastructure and athlete development programs (Adeleke, 2020). Research by Onifade (2021) supports this view, noting that sponsorship plays a vital role in enhancing the visibility and sustainability of sports programs, attracting increased participation and resources.

Overall, the study suggests that financial institutions are key players in sports development in Katsina State but face challenges related to inadequate facilities and a disconnect between sponsorship efforts and actual development outcomes. For sustainable sports growth, a more integrated approach is necessary, one that combines robust funding, improved facility provision, and strategic sponsorship aligned with development objectives. This aligns with broader academic consensus emphasizing comprehensive investment in sports to achieve long-term success. Despite these statistically significant relationships, respondents expressed dissatisfaction with the current level of financial support, particularly regarding facility adequacy and comprehensive sponsorship coverage across all regions. This echoes Imam et al.'s (2021) findings that many primary schools in Katsina lack sufficient funding for sports activities. The study highlights an urgent need for financial institutions to enhance their engagement across all fronts, funding, facilities, and sponsorship to effectively promote sports development in Katsina state. Addressing these gaps promises better outcomes for athletes, sports organizations, and the overall sporting ecosystem within the region.

## **Conclusion**

In conclusion, this study underscores the vital role that financial institutions play in supporting sports development in Katsina state. The significant relationships identified between funding, facility provision, and sponsorship emphasize the need for increased engagement from financial institutions to enhance sports initiatives. By addressing existing gaps in funding and support, stakeholders can create a more conducive environment for athletes and sporting organizations to thrive.

## **Recommendations**

Based on the findings of this study, the following recommendations were made to enhance the role of financial institutions in sports development in Katsina state:

- i. Financial institutions should increase their financial contributions to sports programs to facilitate the development of infrastructure and support athlete training. This could involve establishing dedicated funds for sports development within their financial portfolios.
- ii. Financial institutions should collaborate more closely with local sports associations and government bodies to identify specific needs and priorities. By engaging in dialogue financial institutions can ensure that their funding aligns with the actual requirements of the sports community.
- iii. Establish a system for monitoring and evaluating the effectiveness of funding and Sponsorship programs in sports development. This could help in assessing the impact of financial contributions and making necessary adjustments to improve outcomes.

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