

# **FINANCING SPORTS IN KENYA'S NATIONAL UNIVERSITIES : AN OVERVIEW OF PRACTICABLE POLICY OPTIONS**

---

**J. SHEHU, KENYATTA UNIVERSITY**

## **ABSTRACT**

**A consistent criticism of campus sports programmes in sub-Saharan Africa is that they tend to depend too much on university budget allocations, rather than put more emphasis on innovative fund raising and enterprising sports marketing activities. Recent events in Africa, however, in terms of structural adjustment programmes and market economy point to the need for African higher institutions and their sports departments to move away from the perspective of budget appropriation, to pay greater attention to the political economy of sports growth, to consistently problematize the issue of fund raising and to critically articulate viable sports sponsorship strategies. This paper is aimed at addressing some workable policy options for financing sports in Kenya's National Universities.**

**KEYWORDS: market economy, budget, sponsorship**

## **INTRODUCTION**

Two perspectives compete for the attention of a University Sports Director searching for financing his or her intramural and extramural programmes. The first perspective stresses institutional obligation in which the argument goes somewhat like this: sports programmes are an essential part of student welfare services which University authorities are obliged to finance. The second main perspective on the other hand, considers sports as a marketable product that can be systematically programmed to generate economic returns. Thus, while the first approach is based on traditional imprest allocation and appropriation, the second is based on income supplementation.

Theoretically, under a welfarist or paternalistic education system, there would be no basis for commodification of University sports because recreational activities for students would be available free of charge or for a token fee. But domestic institutional constraints in Africa have rendered higher education an expensive privilege, becoming more of a consumer good than a public service. Thus, given the precarious internal and external economic parameters underlying higher education in Africa there is the need to reappraise the philosophical framework for shaping and financing university sports. This paper is designed to explore practicable ways of making sporting activities in Kenya's National Universities largely self-sustaining.

## **POLITICAL ECONOMY OF CAMPUS SPORT**

There are at present private entrepreneurs and agencies whose job is to sell sports, who take the day-to-day risks of the market place, and who put their own money constantly on the line. It is

therefore proper for a publicly - funded university department to compete with these people in terms of rent seeking and capital accumulation? Generally, some would argue that university sport ought not to be a phenomenon that should be bought, sold or bartered. However, the case for campus sport marketing, if there is one, is grounded on pragmatism. Games departments in African Universities can no longer depend solely on statutory budget allocation. In contrast to the economic boom of yesteryears, many public Universities in Africa are now in a tight corner in terms of cash squeeze, huge overhead costs, as well as phenomenal increase in student population. Consequently, universities are increasingly being asked to adopt austerity measures and to generate income internally. In fact, this is not applicable to universities alone. In this era of market forces every institution has to look carefully at how it spends its money, find new ways of raking in additional funds and put income generating plans to work. The political economy of African university education makes it difficult for sports programmes (traditionally regarded as extracurricular activities) to enjoy parity of funding with the so-called "curricular" activities. Today as yesterday, academic activities in many African universities are programmed to crowd out sporting activities; evening lectures compete with evening games and the need for learning materials displaces the need for sporting equipment thereby intensifying the lack of investment funds for projects that might directly uplift university sports. If games departments of Kenya's National Universities are to stay afloat financially, they will have to look for innovative ways of supplementing their increasingly dwindling budget. In this context, self-help becomes an important philosophical framework for shaping intramural and extra-mural policy.

### **IMPLICATIONS OF MARKET ORIENTED APPROACH TO UNIVERSITY SPORTS MANAGEMENT**

Essentially, the notion of sports marketing within the university system is to make intramural services self- sustaining so that games department are ultimately able to:

1. Cope with shrinking and unreliable university grant.
2. Avoid becoming financially helpless and weak in a milieu wherein privatization of every department could well be the norm of the future.
3. Organise university sports like a business enterprise but doing so in a way that is responsive to the recreational needs of staff and students.
4. Supplement their budgetary allocations and by so doing send signals to the university authorities that games departments take the issue of self-reliance seriously.
5. Develop a robust financial capability to play a significant role in national and international sports engagements, and
6. Initiate and maintain quality sports programmes and by so doing gain more customers, sponsorship and financial benefits that will further sustain genuine sports growth in a virtuous circle.

## OUTLOOK

The problem posed by cash squeeze within the university system is, without doubt formidable, but several options for generating funds do exist. The challenge is to identify the situations. Whatever the situation however, actions taken to finance sports and leisure programmes must be selective, multifaceted, long-term, focused and have high probabilities of success. In other words,

- There is no single or simplistic solution to inadequate sports funding.
- Short-term efforts dominated by ad-hoc strategies are generally ineffective and often lead to programme stagnation.
- Choices have to be made among several strategies found in the literature. That is to say, some strategies will be adapted and some will have to be rejected in relation to the context.
- Sports marketing enterprise must be guided by a simple principle: accountability-in terms of goal attainment and sincerity of purpose.

## RECIPE

Students of intramural administration have been examining the issue of alternative forms of sports financing for decades (Atwell, Grimes and Lopiano 1980; Tuveson, 1980; Brassie, Trimble and Hersley, 1985; Mulin, Hardy and Sutton, 1993; Stevens, London and Mccoukey, 1995). The literature is therefore replete with several fund-raising schemes and practices applicable to different campus situations. In the case of Kenyan public universities, the basic recipe would contain the following ingredients:

1. **Goal clarification:**The starting point for financial drive is not to set out frantically in search of moneybags and corporate sponsors. The first task really, is to crystallize the goals and mission of university sports in Kenya. In other words, games departments must start by reconstructing their past in terms of how they evolved to where they are now (historical statement); examine where they are (position statement); and problematize where they want to get, how, why and when they want to get there (mission or vision statement). This initial stocktaking and goal setting are important because those who do not know where they are coming from or where they are going cannot really know what they need or what to do with what they get. Financial drive must therefore be based on a broad campus sports development policy, a classical blue print designed to make our programmes more vibrant and functional than they are now. If all we want is to organise occasional outings for a few athletes in order to manage students unions agenda, then we don't require extra funding. The fact of making our sports programmes elitist rather than broad-based eliminates microeconomic gains. Exploitative and exclusive tendencies are antithetical to genuine university sports growth in the long run. Our sports programmes must be student led and community driven if we wish to break even financially.
2. **Strategic Research:** Sports and games departments must pay greater attention to strategic research than they are doing now. And a good place to begin is to conduct market and leisure surveys in order to ascertain students' recreational needs, sports preferences, and their likely reaction to sports marketing proposals. Also research will help us to identify

and define corporate and individual sports sponsors in Kenya and East Africa, and what it takes to win their support. In other words, we need an empirically valid and reliable picture of political economy of sports promotion in Kenya that could serve to organise our fund raising and marketing activities.

3. Sponsorship Drive: In recent years, a large number of public and private companies have assumed the status of regular sports promoters either through direct support of sports research and development or through subsidizing sports festivals, playing tour, athletic scholarship, facility construction and equipment supplies. University sports departments therefore need to explore ways of getting multinational firms, marketing departments, trade and industrial organizations and donor agencies in Kenya to integrate long-term financial support for collegiate or university sports into their corporate strategic planning. It has been shown through market surveys, that firms are increasing their entertainment sponsorship spending every year and that the largest sponsorship dollars have been expended on sport (Schoenadel, 1994). What is urgently required is to identify top companies that promote sports in Kenya as well as the opportunity cost of approaching any of them for help.

### **GUIDELINES FOR SPONSORSHIP DRIVE**

- (a) Get a Board: Many donor agencies and funders are reluctant to give their money to one man who is engaged in micro management. Instead, they prefer dealing with a committee or a group of distinguished members who have the ability to exercise financial responsibilities and can ensure that resources are well spent. So, before sports sponsor are contacted it is necessary to have a sports committee or council in place for the purpose of credibility and assurance of management auditing.
- (b) Know the Sponsor: It is desirable to have a fair knowledge of various sponsors and their sports preferences. A review of newspaper sports pages will reveal patterns of sports sponsorship among organization like Nestle, Coca cola, Pepsi Cola, Cadbury, Banks, and Social clubs. In other words, the type of sports we want to be sponsored must be related to the sponsor's preferences and policy. For example, if Coca cola is only interested in soccer we can not insist that they sponsor a darts tournament.
- (c) Think of what the sponsor wants to gain: All sponsors want something in return for their generosity-honour, profit, advert, popularity, notoriety, monument, publicity, patronage and so on. The Nigeria Universities Games Association (NUGA) are sponsored by Guinness only on condition that the company's products become the "official drink" at all NUGA events. Thus, an association that is averse to sales of alcoholic beverages during athletic events has no business asking a brewery to sponsor its tournaments. So we must be aware and prepared to help the sponsors get economic, political or social value for their money.
- (d) Negotiate: After getting a potential sponsor and matching his or her preferences to our needs, the next stage is to strike a mutually beneficial deal that will adequately cater for

intended sporting activities and/or projects. The proposal for negotiation must be comprehensive, highlighting programme technicalities, logistics, time frame, budget estimates, and why the events is worthwhile for the prospective sponsor, participants and other stakeholders.

- (e) Fulfill your side of the bargain: One good turn, they say, deserves another. It is honourable to bear in mind the benefits that have been promised to the sponsor and to make sure they are fulfilled appropriately. For instance, if you have promised Elianto to promote their products during an event, please keep your promise.
- (f) Show gratitude: publicise sponsorship through articles and press releases. Take photographs during sponsored events and package all the facts and figures regarding the sports investments, donation and promotion into an attractive booklet. Be accountable. Show how the sponsorship money was spent. Document the successes and failures of the event and the prospects for the future. Send a thank-you letter to the sponsor along with the evaluative booklet.

### **GENERATING REVENUE INTERNALLY**

Apart from raising funds through sponsorship, sports and games departments can also market sports within the campus. In other words, sports must be seen as a product definable in terms of leisure services, recreation, participation, competition, physical fitness, spectatorism and fun. The product must however, be tailored to the needs of the university and local communities. Getting revenue through campus sports consists of a wide range of strategies that are both socially and economically feasible. Some of these strategies (which vary from campus to campus) include:

- Setting up a sports equipment supermarket
- Commercial sports clinics, coaching courses and seminars
- Renting sports facilities to outside agencies and clubs
- Charging students for use of gyms, tennis courts, weight room, etc
- Organising beauty contests, Mr. campus competition, dance tournaments and marathon races in which participants and / or spectators have to pay admission fees.
- Launching of sports endowment fund during convocations.
- Institution of raffles and lotteries.
- Organising commercial sports camps for children during easter, christmas and long vacations.
- Annual contribution from alumni.
- Auction of old sports equipment.
- Commercial outward bound trips.
- Commercial video / film show of spectacular sports events.
- setting up a consultancy unit for sports training, facilities design, construction and maintenance.

## CONCLUSION

The various options outlined above can yield monetary gains only to the extent that we identify, anticipate and satisfy the requirements of our sports clients. The striking shortcoming of many sports and games departments has been the lack of economic perspective, the inability to articulate a unified model of campus sports marketing strategy best suited to African University environment. Indeed, rather than lambasting university authorities for starving sports departments of funds, we should get our acts together, abandon dependency approach, and move into the 21st century with an ideology based largely on self-reliance.

## REFERENCES

- Atwell, R., Grimes, B. and Lopiano, D. (1980). **The Money Games: Financing Collegiate Athletics**. Washington, D.C. American Council on Education.
- Brassie, P.S., Trimble, R.T., and Hensley, L.D. (1985). Creative financing. **Journal of Physical Education, Recreation and Dance** 56 (7): 44-46.
- Mullin, B.J., Hardy, S. and Sutton, W.A. (1993). **Sport Marketing**. Champaign, IL, Human Kinetic Publishers.
- Schoenadel, T.L. (1995). Research Highlights. **Sport Marketing Quarterly** 4 (1): 12
- Stevens, R.E., Loudon, D.L., McConkey, C.W. (1995). Sport Marketing Among colleges and universities. **Sport Marketing Quarterly** 4 (1): 41-47.
- Tuveson, A. (1980). Club sport: Fund raising alternatives. **Journal of the National Intramural Recreational Sports Association** 4 (2): 18-20.