

Ownership Structure and the Performance Implications of Human Resource Accounting: Evidence from Football Clubs in Southwest Nigeria

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Abstract- This study examines how ownership structure influences the adoption of Human Resource Accounting (HRA) and its effects on the performance of football clubs in Southwest Nigeria. Using data from ten clubs over 2020–2024, club performance was measured through league rankings and financial indicators, while HRA adoption was proxied by the valuation of players and coaching staff. Results indicate that both state-owned and privately-owned clubs implement HRA practices, but adoption levels vary according to resource availability and managerial priorities. HRA positively impacts club performance, with state-owned clubs benefiting from institutionalized structures, while privately-owned clubs leverage strategic human capital management. The study recommends formalizing HRA practices, aligning human capital investments with strategic objectives, and prioritizing talent development to improve competitive performance, financial stability, and long-term sustainability.

Index Terms- Human Resource Accounting, Ownership Structure, Football Club Performance, Strategic Human Capital, Nigeria

I. INTRODUCTION

Organisational performance remains a central objective of every institution, as survival, competitiveness, and long-term sustainability depend largely on how effectively resources are managed. In both financial and non-financial terms, performance reflects the ability of organisations to deploy their assets efficiently and achieve strategic goals (Firdaus et al., 2025). This reality is particularly evident in the modern football industry, which has evolved into a highly commercialised global enterprise where clubs compete not only for trophies but also for financial stability, sponsorship, brand recognition, and market relevance (Adam et al., 2025; Ma'mun et al., 2024).

Within this competitive environment, human resources represent the most critical asset of football organisations. Players, coaches, and technical staff directly determine match outcomes, league rankings, and overall club reputation. Human Resource Accounting (HRA), which focuses on identifying, measuring, and reporting the economic value of human capital, provides a framework for recognising these individuals as strategic assets rather than mere operational expenses (Daddau et al., 2020). In advanced football systems, structured valuation of players through transfer fees, wage structures, training investments, and medical expenditures reflects the practical application of HRA principles. When effectively implemented, such practices can enhance transparency, improve strategic planning, and strengthen organisational performance.

However, the effectiveness of HRA may depend on ownership structure. In many contexts, state-owned organisations often operate under bureaucratic controls and public funding arrangements, while privately managed organisations tend to emphasise efficiency, profitability, and strategic flexibility. These structural differences may influence how human capital is valued, managed, and translated into performance outcomes. In the football sector, ownership structure can therefore shape governance systems, investment decisions, and overall club competitiveness.

II. STATEMENT OF THE RESEARCH PROBLEM

The growing commercialisation of professional football has made effective human capital valuation essential for organisational success. In advanced leagues such as the English Premier League and La

Liga, clubs adopt structured Human Resource Accounting (HRA) practices to measure and manage the value of players and technical staff, thereby enhancing performance and financial stability.

In Nigeria, however, football clubs operate under two distinct ownership structures state-owned and privately managed which differ in governance systems, funding mechanisms, and managerial flexibility. These differences may influence how HRA practices are implemented and how effectively human capital investments translate into organisational performance. Yet, there is limited empirical evidence comparing the performance implications of HRA across these ownership structures, particularly among clubs competing in the Nigeria Professional Football League.

This study therefore investigates how ownership structure shapes the performance implications of Human Resource Accounting in football clubs in Southwest Nigeria.

III. OBJECTIVES OF THE STUDY

Objectives of the Study

The main objective of this study is to investigate the relationship between human resource accounting practices and organisational performance in state and private football clubs in Southwest Nigeria. The specific objectives are to:

- i. evaluate the influence of Human Resource Accounting on the organisational performance in state owned football Club in Southwest Nigeria;
- ii. evaluate the influence of Human Resource Accounting on the organisational performance in privately managed football Club in Southwest Nigeria

IV. CONCEPTUAL REVIEW

Organisational performance is a multifaceted concept that reflects the extent to which an organisation achieves its strategic objectives in both financial and non-financial dimensions (Michael et al., 2025; Ombai et al., 2024). Traditionally, performance has been measured through financial indicators such as profitability, revenue growth, return on assets, and cost efficiency. Football is organized globally into

various leagues and clubs that serve as the backbone of the sport's structure, with some of the most renowned being the English Premier League, Spain's La Liga, Italy's Serie A, and Germany's Bundesliga, all of which host world-class clubs such as Manchester United, Real Madrid, AC Milan, and Bayern Munich. These leagues not only provide entertainment but also represent significant business enterprises that thrive on strong management and accountability systems. Similarly, football in Africa has developed competitive domestic leagues, with Nigeria standing out as a country with a rich football tradition (Igwe et al., 2021). The Nigeria Professional Football League (NPFL) is the top-tier competition, featuring clubs such as Enyimba International, Kano Pillars, Rangers International, and Shooting Stars Sports Club (3SC). Within the South-West region of Nigeria, football occupies a special place, with clubs like Shooting Stars (Ibadan), Sunshine Stars (Akure), Remo Stars (Ikenne), and MFM FC (Lagos) playing a central role in talent development, youth engagement, and regional pride, while also contributing to the growth of the Nigerian football ecosystem (Njororai, 2021).

At the state-owned club level, financing remains heavily dependent on budgetary allocations from government, which are often influenced by political priorities and fiscal constraints. This model creates inefficiency, low accountability, and overreliance on public funds (Opakunbi, 2023; . In contrast, privately-owned clubs attempt to adopt more business-oriented approaches by investing in player development, marketing, sponsorships, and facility upgrades to ensure sustainability. While private ownership has spurred some innovation and efficiency, these clubs also face challenges of inadequate capital, unstable revenue streams, and weak institutional support. The gap between state-owned and privately-owned football clubs in terms of financing and management practices raises the need for systematic mechanisms such as human resource accounting to ensure more transparent, efficient, and performance-driven operations (Njororai, 2019).

V. HUMAN RESOURCE ACCOUNTING

Human Resource Accounting is the systematic process of identifying, measuring, and reporting the

economic value of people within an organisation as assets rather than expenses (Okoh et al, 2023). The concept is premised on the recognition that human resources such as employees' skills, knowledge, creativity, and physical abilities are critical drivers of productivity and long-term sustainability. Traditional accounting frameworks often fail to capture the true value of human capital, thereby understating organisational assets and misrepresenting resource allocation. HRA seeks to correct this gap by providing methods for valuing recruitment, training, development, welfare, and retention costs, and by incorporating them into financial statements to aid managerial decision-making, strategic planning, and performance evaluation.

In the football industry, HRA assumes an even greater significance, as players, coaches, and technical staff form the most valuable assets of a club (Trequattrini et al, 2023). Through transfer fees, contract negotiations, training investments, and medical expenses, clubs already engage in practices that reflect the principles of HRA, though often without formalised or standardised reporting systems. While advanced leagues in Europe treat players as intangible assets and disclose them in financial statements, many Nigerian clubs, both state-owned and privately-owned, have yet to fully adopt such practices. As a result, the contributions of players and staff are undervalued in financial records, limiting transparency and effective performance measurement. This study therefore positions HRA as a critical accounting practice whose systematic adoption could significantly enhance the organisational performance of football clubs in Southwest Nigeria.

VI. THEORETICAL REVIEW

Human Capital Theory

The theory was originally propounded by Theodore W. Schultz (1961) and later expanded by Gary Becker (1964). The central argument of the theory is that individuals possess knowledge, skills, abilities, and health that can be enhanced through investment in education, training, and development, thereby increasing their productivity and value to organisations and the economy. Human beings are therefore seen not merely as labour inputs but as

assets capable of generating future returns when adequately developed.

The view of the theory is that organisations that invest in their workforce stand a higher chance of attaining sustainable performance compared to those that treat labour merely as a cost. In football, this translates into clubs making significant investments in recruiting, training, and developing players, coaches, and other staff to secure long-term performance. The theory acknowledges that while these investments come with costs, they yield greater financial and non-financial benefits through improved skills, higher productivity, enhanced loyalty, and ultimately better organisational outcomes.

The relevance of the theory to this study lies in its ability to explain why Human Resource Accounting (HRA) is critical in football clubs. Since football clubs rely heavily on human resources (players, coaches, and staff) for success, recognising and reporting the value of these resources in financial statements provides a clearer picture of organisational worth. In the context of Nigerian football clubs, applying HCT underscores the importance of valuing and accounting for investments in players, academies, and technical staff to ensure both sporting competitiveness and financial sustainability.

One of the major strengths of Human Capital Theory is that it provides a strong justification for treating human beings as assets rather than expenses. This shift in perception allows organisations to strategically manage and report their human resources as investments that contribute to both financial performance (such as revenue generation, sponsorships, transfer fees) and non-financial performance (such as fan engagement, brand loyalty, community impact). In football, this perspective supports the need for systematic human resource accounting practices, especially when comparing state-owned and privately-owned clubs that may adopt different investment and reporting strategies.

Several scholars have applied Human Capital Theory in their research. For example, Ngoc and Tien (2023) used the theory to study intellectual capital and organisational performance, showing how knowledge

assets contribute to competitive advantage. Odhong and Omolo (2015) applied it in evaluating the effect of human capital investment on firm performance in Kenya. In sports-related research, Rubio Martin et al (2022) used HCT to explain the growing financialisation of football, linking player development and transfer markets to the economics of human capital. These applications demonstrate its broad relevance and adaptability to studies involving human resource accounting and organisational performance.

Stakeholder Theory

The theory was first propounded by R. Edward Freeman (1984) in his book “Strategic Management: A Stakeholder Approach.” The theory challenges the traditional shareholder-focused view of organisations by arguing that firms exist not only to maximise shareholder wealth but also to create value for all stakeholders who are affected by or can affect the organisation’s activities. Stakeholders may include employees, customers, suppliers, government, investors, communities, and even the broader society. The view of the theory is that organisations must manage relationships with various stakeholders to achieve long-term success. It emphasises accountability, transparency, and fairness in the disclosure of information and in the treatment of diverse interests. In football, the stakeholders extend beyond club owners and investors to include players, coaches, fans, sponsors, government regulators, and local communities. Clubs that adopt sound Human Resource Accounting (HRA) practices can demonstrate accountability to these groups by disclosing how investments in players and staff contribute to financial and non-financial performance.

The relevance of the theory to this study lies in its support for the argument that football clubs whether state-owned or private should implement transparent and reliable human resource accounting systems. Proper valuation and reporting of human resources not only inform club owners and managers but also reassure fans, government bodies, and sponsors that the clubs are managed responsibly. For Nigerian football, where issues of financial mismanagement and poor accountability often hinder growth, Stakeholder Theory provides a framework for

justifying the adoption of HRA practices to improve trust and organisational performance.

VII. EMPIRICAL REVIEW

Rahmadina and Bhilawa (2025) empirically investigates the impact of financial performance on the competitive success of football clubs in the English Premier League (EPL) over the 2016/2017 to 2022/2023 seasons. The study emphasizes the crucial role of strategic financial management in sustaining club growth and enhancing market competitiveness. Secondary financial data was used and the data were analysed using multiple linear regression. The findings indicate that effective asset utilization and robust liquidity management significantly contribute to both on-field and off-field club success.

Khodajo et al. (2025) investigated the effect of diversity management on the performance of football players in Iran’s Premier Football League clubs. The study investigated both social and cultural dimensions of diversity management, emphasizing the recognition of common goals and interests alongside differences among players. Using a descriptive-survey design, the research investigated a population of 480 players, selecting 214 respondents through Cochran’s formula. Data were collected via standard questionnaires measuring diversity management (Fink et al., 2003) and sports performance (Charbanio et al., 2001), and analyzed using structural modeling in AMOS software. The study investigated the overall impact of diversity management on sports performance and found that while all components influenced performance differently, both reactive and active diversity management positively and significantly affected players’ performance.

Abate et al. (2025) examined the impact of organizational and management factors on the performance of *Sidama Bunna Football Club* through a cross-sectional survey of 44 participants, including players, coaches, managers, and board members. Using Pearson correlation and multiple regression analyses at a 0.05 significance level, the study found significant positive relationships between performance and strategic factors, communication, human resources, material resources, and finance,

while club structure showed no significant effect. Regression results highlighted strategic factors and finance as the most influential predictors, with the combined model explaining 79.4% of performance variance and was significant.

Nowland and Sankara (2024) investigated how investments in human capital and fixed capital influence the performance of professional football clubs. Drawing on data from the English Premier League between 2012 and 2021, the authors employed a lag model to relate investments in players, managers, and stadiums to subsequent financial and sporting outcomes. Their findings revealed that investments in new players significantly enhanced sporting performance, with a £100 million increase in transfer expenditure linked to an additional 12 points and four better table positions over two seasons. Similarly, investments in stadium infrastructure were associated with improved financial outcomes, as a 10,000-seat increase in capacity corresponded to £26 million in additional profits over the subsequent two seasons.

Tuncdogan et al. (2023) investigated the implementation of social accountability within football clubs, focusing on the regulation of social accounting practices in the football industry. Using a methodological model proposed by A. G. Puxty and expanded through Peter Miller's research, the study examined football club accounting as a social practice. Through a methodical review of 181 empirical studies on corporate social responsibility (CSR), the research examined the current state of CSR implementation and proposed an integrative framework comprising four levels: normative, strategic, operational, and higher. Findings indicate that the strategic integration of CSR in the sports industry is dynamic and requires a sector-specific framework that accounts for the unique characteristics of football.

Mwasijaji et al. (2022) investigated the relationship between human resource management practices, technical bench competencies, and regulatory frameworks on the performance of Kenya Premier League soccer teams through a meta-analysis of existing literature. The study identified gaps in these areas and highlighted that soccer has evolved into a

multibillion-dollar industry capable of contributing to the global sustainability agenda by enhancing public health, increasing life expectancy, improving educational outcomes, and promoting productive employment through soccer-based entrepreneurial ventures.

VIII. METHODS OF DATA ANALYSIS

The data for this study was analyzed using both descriptive and inferential statistical techniques with the aid of Statistical Package for Social Sciences (SPSS) and STATA. Descriptive statistics such as frequency distributions, means, standard deviations, and percentages was employed to summarize and present the demographic characteristics of respondents as well as the general patterns of human resource accounting practices in football clubs. For the first objective, which seeks to examine the extent of adoption of human resource accounting practices in state-owned and privately-owned clubs. Inferential statistics was employed to test the research hypotheses and establish relationships between variables.

IX. FINDINGS AND DISCUSSION

The results and discussion of findings are presented in this chapter. The conclusions and recommendations provided are based on the outcomes.

Table 1 presents the distribution of sampled respondents across state-owned and privately managed football clubs in Southwest Nigeria, reflecting a deliberate effort to capture perspectives from all relevant human resource and performance-related roles within the clubs. Each of the ten selected football clubs was represented by five key categories of personnel, including Management Officials, Finance Officers, Human Resource/Admin Officers, Technical (Coaching) Staff, and Players' Representatives. These categories were selected purposively to ensure that the sample encompassed individuals with direct involvement in strategic decision-making, financial management, human capital administration, team performance, and player welfare. The total sample consisted of 50 respondents, with an equal split of 25 respondents

drawn from state-owned clubs and 25 from privately managed clubs. This balanced distribution allows for meaningful comparison between ownership types while ensuring that insights reflect both administrative and technical perspectives on the effect of human resource accounting on organizational performance in football clubs.

Table 1: Distribution of Sampled Respondents by Ownership Type and Category of Staff in Football Clubs in Southwest Nigeria

Table 1: Distribution of Sampled Respondents by Ownership Type and Category of Staff in Football Clubs in Southwest Nigeria

| Club (State-Owned) | Management | Finance | HR/Admin | Technical (Coach) | Players' rep | Total per club |
|---------------------------|------------|----------|----------|-------------------|--------------|----------------|
| Shooting Stars SC (3SC) | 1 | 1 | 1 | 1 | 1 | 5 |
| Sunshine Stars FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Gateway United FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Osun United FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Ekiti United FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Subtotal (State) | 5 | 5 | 5 | 5 | 5 | |
| Club (Private) | Management | Finance | HR/Admin | Technical (Coach) | Players' rep | Total per club |
| Remo Stars FC | 1 | 1 | 1 | 1 | 1 | 5 |
| MFM FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Crown FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Vandrezzer FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Smart City FC | 1 | 1 | 1 | 1 | 1 | 5 |
| Subtotal (Private) | 5 | 5 | 5 | 5 | 5 | |

Source: Field Survey

Demographic Characteristics of Respondents

Table 2 shows the demographic characteristics of respondents across state-owned and privately managed football clubs in Southwest Nigeria. The

distribution of respondents by gender indicates that males dominate both ownership types, accounting for 72% of respondents in state-owned clubs and 80% in private clubs. Female respondents are fewer, representing 28% in state clubs and 20% in private

clubs, while none of the respondents chose “prefer not to say.” This pattern reflects the male-dominated nature of football club administration and operations in the region, which is consistent with the general gender composition of the football industry in Nigeria.

In terms of age distribution, the majority of respondents fall within the 26–35 years’ bracket, representing 48% in state-owned clubs and 56% in private clubs. The 36–45 years’ group follows with 28% and 24% for state and private clubs, respectively. Younger respondents aged 18–25 make up 12% of state club respondents and 16% of private club respondents, while respondents aged 46–55 constitute a smaller proportion, and no respondents are above 56 years. This indicates that the workforce in both state and private football clubs is relatively young and within the prime working age, which is advantageous for the physical and technical demands of the football industry.

Educational qualification shows that most respondents hold a Bachelor’s degree or HND, with 48% in state-owned clubs and 56% in private clubs. Diploma/OND/NCE holders represent 24% of state clubs and 20% of private clubs, while those with SSCE/equivalent make up 20% and 8%, respectively. A smaller proportion holds a Master’s degree (8% state, 16% private), and no respondents reported PhDs or professional certifications. This suggests that respondents in private clubs have slightly higher educational attainment, which may reflect the greater emphasis on formal qualifications and professional development in privately managed clubs compared to state-owned clubs.

Employment status shows that in state-owned clubs, management/executive personnel form the largest

group (32%), followed equally by players, coaches, and administrative staff (20% each), with medical staff representing 8%. Private clubs exhibit a more balanced distribution, with players, coaches, and administrative staff each representing 20%, medical staff 12%, and management/executives 28%. This indicates that private clubs maintain a more evenly distributed workforce across functional roles, while state clubs rely more heavily on management structures.

Years of experience demonstrate that most respondents in both club types have moderate industry experience. In state-owned clubs, 40% have 2–5 years of experience, 32% have 6–10 years, while 8% have less than 2 years, 12% have 11–15 years, and 8% have more than 15 years. In private clubs, 44% have 2–5 years, 28% have 6–10 years, 12% have 11–15 years, 12% have less than 2 years, and 4% have above 15 years. This distribution suggests a mix of emerging talent and experienced personnel in both club types, with private clubs slightly favoring younger professionals.

Monthly income and club affiliation reveal that all respondents in state clubs are affiliated with state-owned clubs and all private respondents with privately-managed clubs. Regarding income, state club respondents predominantly earn less than ₦200,000 per month (64%), while private club respondents generally earn higher salaries, with 52% earning ₦200,000 and above. This highlights the differences in remuneration structures between the two club types, with private clubs offering comparatively higher salaries, likely due to performance-based pay and private funding.

Table 2: Demographic Characteristics of Respondents by Club Ownership (N=50)

| Section A: Demographic Variables | State-Owned Clubs (n=25) | | Private Clubs (n=25) | |
|----------------------------------|--------------------------|------------|----------------------|------------|
| | Frequency | Percentage | Frequency | Percentage |
| Gender | | | | |
| Male | 18 | 72 | 20 | 80 |
| Female | 7 | 28 | 5 | 20 |
| Prefer not to say | 0 | 0 | 0 | 0 |

Age Bracket

| | | | | |
|---|----|-----|----|-----|
| 18 – 25 | 3 | 12 | 4 | 16 |
| 26 – 35 | 12 | 48 | 14 | 56 |
| 36 – 45 | 7 | 28 | 6 | 24 |
| 46 – 55 | 3 | 12 | 1 | 4 |
| 56 & above | 0 | 0 | 0 | 0 |
| Educational Qualification | | | | |
| No Formal / Primary | 0 | 0 | 0 | 0 |
| SSCE / Equivalent | 5 | 20 | 2 | 8 |
| Diploma / OND / NCE | 6 | 24 | 5 | 20 |
| Bachelor’s Degree / HND | 12 | 48 | 14 | 56 |
| Master’s Degree / MBA | 2 | 8 | 4 | 16 |
| PhD / Professional Cert. | 0 | 0 | 0 | 0 |
| Employment Status in the Club | | | | |
| Player | 5 | 20 | 5 | 20 |
| Coach / Technical Staff | 5 | 20 | 5 | 20 |
| Administrative Staff | 5 | 20 | 5 | 20 |
| Medical Staff | 2 | 8 | 3 | 12 |
| Management / Executive | 8 | 32 | 7 | 28 |
| Years of Experience in Football Industry | | | | |
| Less than 2 years | 2 | 8 | 3 | 12 |
| 2 – 5 years | 10 | 40 | 11 | 44 |
| 6 – 10 years | 8 | 32 | 7 | 28 |
| 11 – 15 years | 3 | 12 | 3 | 12 |
| Above 15 years | 2 | 8 | 1 | 4 |
| Type of Club Affiliation | | | | |
| State-owned | 25 | 100 | 0 | 0 |
| Privately-owned | 0 | 0 | 25 | 100 |
| Monthly Income Range (₦) | | | | |
| Below 100,000 | 6 | 24 | 2 | 8 |
| 100,000 – 199,999 | 10 | 40 | 6 | 24 |
| 200,000 – 299,999 | 5 | 20 | 8 | 32 |
| 300,000 – 399,999 | 3 | 12 | 5 | 20 |
| 400,000 & above | 1 | 4 | 4 | 16 |

Source: Field Survey, 2025

Table 3 shows the outcome of the effect of Human Resource Accounting (HRA) on Organizational Performance in State Football Clubs. The result shows that the Value of Players (VOP) has a positive and statistically significant coefficient of 0.002

($p < 0.05$), implying that as the estimated market value of players increases, so does the organizational performance of state-owned clubs. This supports the human resource accounting principle that considers players as intangible assets whose valuation reflects their contribution to team success and financial

standing. Clubs that maintain proper valuation and management of player assets benefit from higher team motivation, better transfer prospects, and improved brand recognition, all of which enhance organizational performance. This result supports the findings that are found by Hamdi et al (2025)

The coefficient for Club Age (CA) is 0.064 with $\rho < 0.05$, indicating a positive and statistically significant relationship with organizational performance. This suggests that as a football club advances in age, its performance tends to improve due to the accumulation of managerial experience, enhanced administrative competence, and stronger institutional frameworks. Older clubs are more likely to have developed well-structured human resource systems, refined technical expertise, and effective governance practices that promote continuity and stability. These attributes contribute to greater operational efficiency, strategic decision-making, and long-term sustainability. The result is consistent with existing literature that shows the importance of organizational longevity in fostering improved performance outcomes, as experience and institutional learning enhance a club's ability to adapt, innovate, and maintain competitive advantage over time. Furthermore, Club Size (CSZ) has a positive and significant coefficient of 0.051 with $\rho < 0.05$, suggesting that larger clubs with more players, staff, and resources generally perform better than smaller clubs. This could be because larger clubs enjoy economies of scale, attract better sponsorship deals, and maintain more specialized human resource departments that enhance efficiency. The result underscores the importance of organizational scale and resource availability as structural enablers of effective human resource accounting and improved performance outcomes.

Also, the Number of Matches Won (NMW) has the highest positive coefficient of 1.015 ($p < 0.01$), indicating that on-field success contributes strongly to organizational performance. Winning matches boosts club revenue through increased fan engagement, sponsorships, and player value appreciation. It also serves as a direct measure of the return on investment in human resource practices, particularly in recruitment, training, and motivation.

The significance of these variable highlights that human resource accounting practices indirectly translate into better performance through improved team outcomes.

The model's overall fitness is remarkably strong, with an R-squared of 0.961 and an Adjusted R-squared of 0.954, meaning that about 95.4% of variations in organizational performance are explained by value of players, club age, club size, and number of matches won. The F-statistic value of 124.473, with $\rho < 0.05$ confirms the joint significance of the predictors, while the low standard error of regression 0.706 indicates a good model fit.

Table 3: Effect of HRA on Organizational Performance in State FC

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|--------------------|-------------|------------|-------------|-------|
| C | 24.024 | 0.316 | 75.909 | 0.000 |
| VOP | 0.002 | 0.000 | 6.278 | 0.000 |
| CA | 0.064 | 0.008 | 7.597 | 0.000 |
| CSZ | 0.051 | 0.010 | 4.986 | 0.000 |
| NMW | 1.015 | 0.037 | 27.176 | 0.000 |
| R-squared | 0.961 | | | |
| Adjusted R-squared | 0.954 | | | |
| S.E. of regression | 0.709 | | | |
| F-statistic | 124.473 | | | |
| Prob(F-statistic) | 0.000 | | | |

Source: Researcher, 2025

Table 4 presents the results on the effect of Human Resource Accounting on Organizational Performance in the privately owned football Clubs in southwest, Nigeria for the period covering 2020 to 2024 using the panel least squares regression. The result shows that value of players (VOP) also impacted positively on the performance of the privately owned football Club just as that of the State owned. As reported, the

coefficient of VOP was 0.004 with $\rho < 0.05$. This indicates that higher player valuation, treated as an intangible asset in HRA practices, contributes positively to organizational performance in the privately owned football Club. Clubs that invest in quality players and maintain accurate financial records of player assets tend to achieve better on-field outcomes, improved team cohesion, and higher financial returns. This finding shows the importance of recognizing players as valuable human capital within the club.

Club Age shows have a positive and significant effect on performance with a value of 0.029 and $\rho < 0.05$ respectively. This suggests also that that older clubs tend to perform slightly better due to accumulated experience, stronger institutional memory, and more stable administrative structures. Over time, such clubs develop better human resource systems, technical know-how, and operational discipline, which translate into incremental improvements in performance outcomes.

The coefficient for Club Size shows a value of 0.063 with $\rho < 0.05$, meaning a positive and significant of Club size on privately owned football clubs in the Southwest, Nigeria highlighting that larger clubs with more players, staff, and resources generally perform better. Larger clubs can benefit from economies of scale, specialized human resource management, and broader operational capacity, which collectively enhance both sporting and financial performance. This reinforces the role of organizational scale as a key determinant in leveraging HRA practices effectively.

Furthermore, the Number of Matches Won shows 1.063 with $\rho < 0.05$. This shows that the result is positive and highly significant, indicating that success in the field strongly drives organizational performance. Winning matches directly contributes to revenue generation, fan engagement, sponsorship attraction, and player value appreciation. The magnitude of the coefficient suggests that HRA practices, such as proper player valuation and workforce management, indirectly enhance

performance by improving the team's ability to win matches.

The model's overall fit is very strong, with R-squared of 0.984 and Adjusted R-squared of 0.980, meaning that approximately 98% of variations in organizational performance are explained by the independent variables. The F-statistics show a value of 302.509 with $\rho < 0.05$ indicates that overall model is significant.

Table 4: Effect of HRA on Organization on Private Owned FC

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|--------------------|-------------|------------|-------------|-------|
| C | 18.629 | 0.960 | 19.412 | 0.000 |
| VOP | 0.004 | 0.001 | 3.096 | 0.006 |
| CA | 0.030 | 0.014 | 2.207 | 0.039 |
| CSZ | 0.063 | 0.015 | 4.324 | 0.000 |
| NMW | -1.063 | 0.033 | -31.896 | 0.000 |
| R-squared | 0.984 | | | |
| Adjusted R-squared | 0.980 | | | |
| S.E. of regression | 0.493 | | | |
| Sum squared resid | 4.869 | | | |
| Log likelihood | -15.023 | | | |
| F-statistic | 302.509 | | | |
| Prob(F-statistic) | 0.000 | | | |

Source: Researcher, 2024

X. TEST OF HYPOTHESIS

Hypothesis 1

The second hypothesis was to evaluate the influence of Human Resource Accounting (HRA) on the organisational performance of state-owned football clubs in Southwest Nigeria. With the F-Statistic

being 544.679 and $\rho < 0.05$, the model was statistically significant, indicating that human resource accounting practices have a meaningful influence on organisational performance in state-owned clubs. This shows that investment in players and other human resource strategies contributes positively to the overall performance of these clubs.

Based on the result, the study concluded that human resource accounting significantly and positively influences the organisational performance of state-owned football clubs in Southwest Nigeria. Consequently, the null hypothesis, which stated that HRA has no significant influence on organisational performance in state-owned football clubs, is rejected.

Hypothesis 2

The third hypothesis was to evaluate the influence of Human Resource Accounting (HRA) on the organisational performance of privately-owned football clubs in Southwest Nigeria. The regression analysis revealed an F-Statistic of 302.509 with $\rho < 0.05$, indicating that the model is statistically significant. This result shows that HRA practices, particularly the value of players, have a meaningful and positive influence on the organisational performance of privately-owned football clubs.

Based on the result, the study concluded that human resource accounting significantly and positively influences the organisational performance of privately-owned football clubs in Southwest Nigeria. Accordingly, the null hypothesis, which stated that HRA has no significant influence on organisational performance in privately-owned football clubs, is rejected.

XI. SUMMARY

This study examined the influence of Human Resource Accounting (HRA) practices on the organisational performance of football clubs in Southwest Nigeria, focusing on the impact of ownership structure. Data were collected from ten football clubs five state-owned and five privately-owned covering the period 2020 to 2024, with 50 respondents providing insights. Organisational

performance was measured using league rankings, while HRA practices were proxied by the value of players (VOP). Club age, club size, and number of matches won were included as control variables.

The descriptive analysis revealed that both state-owned and privately-owned clubs adopt HRA practices, although the extent of adoption differs. State-owned clubs generally recorded higher player values and longer establishment periods, suggesting stronger structural capacity to implement HRA practices. Privately-owned clubs, however, showed higher short-term performance in terms of matches won, indicating efficient utilisation of human resources despite relatively lower structural capacity. Panel regression analysis further showed that HRA practices significantly and positively influence organisational performance in both state-owned and privately-owned clubs. Clubs that effectively invest in human capital, particularly players and technical staff, achieved better league rankings. The results also highlighted that ownership structure moderates the application and impact of HRA, with state-owned clubs benefiting from institutional capacity and private clubs leveraging strategic management for competitive advantage.

XII. CONCLUSION

The study found that both state-owned and privately-owned football clubs in Southwest Nigeria adopt Human Resource Accounting (HRA) practices, reflecting an awareness of the importance of human capital in driving organisational performance. However, the extent of adoption varies depending on the ownership structure, available resources, and managerial priorities. HRA practices were observed to positively influence organisational performance in both types of clubs, with those investing strategically in player value and effectively managing their human resources achieving better league rankings. This confirms that human capital is a key driver of competitive success. The study also highlighted the role of ownership structure in moderating the effectiveness of HRA practices. State-owned clubs benefit from established organisational structures and higher resource allocation, while privately-owned clubs leverage strategic human capital management

to enhance performance outcomes despite relatively lower institutional capacity.

XIII. RECOMMENDATIONS

Based on these findings, it is recommended that all football clubs, regardless of ownership, formalise and standardise their Human Resource Accounting practices. Clubs should systematically measure, record, and report the value of their players, coaches, and technical staff as strategic assets, with clear policies guiding recruitment, training, salaries, and transfer cost accounting. State-owned clubs should capitalise on their structural capacity and resource availability to improve the efficiency of HRA implementation and ensure that investments in human capital translate into improved competitive outcomes. Privately-owned clubs, on the other hand, should strengthen documentation, valuation, and reporting systems to attract investors, enhance credibility, and ensure long-term sustainability. Finally, all clubs should prioritise strategic investment in human capital through youth academies, effective scouting systems, regular training, and competitive compensation. By aligning HRA practices with broader organisational objectives, football clubs can enhance league performance, achieve financial stability, and secure long-term sporting success.

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