



# Governance in community sport

**We need innovative solutions, not more controls,  
to address the problems in grassroots sport**

**EVERY VOLUNTEER** chair, secretary and board member knows that the problem with small, non-profit community organisations is that they do not have enough resources. If they only had more money, more funding, more formal governance procedures and expertise, perhaps they would live up to government and consumer expectations – or perhaps not. Maybe they would end up like many other sport organisations, plagued by allegations of corruption, mismanagement, and declining volunteers and sport participants.

This is what is happening in community, grassroots sport but the assumption is that the problem is a lack of resources and capacity. However, it may be related to expectations for governance and compliance being transferred from one context (professional sport) to another (community sport).

## Misinterpreted influence

The perspective that elite sport inspires grassroots, mass participation and volunteering is only a partial understanding of how what happens at the top level impacts the grassroots level. The good may inspire some, but it is not universal. If we believe that the professional world of sport can have a positive, inspirational effect, we should also recognise that it can impart negative values and practices as well.

The problem is not in community sport; it is symptomatic of the problems of governance and commercialisation seen in larger more 'professional' sport organisations. The underlying issue is that the concept of governance has become a crutch by which it is assumed one can 'control' organisations and the actions of people within them. This is far from the truth – increasing governance in some organisations may have the opposite effect.

Governance trends in non-profit organisations, professional sport and community sport organisations are similar: introduce strict controls to generate compliance with law, comply with sport governing body rules and increase accountability. The reality is that scandal and corruption in larger sport organisations has led to greater governance and controls. Yet the consequences are that more problems of mismanagement abound. We have more corruption and problems of doping, match fixing, bribes and unethical behaviours in the current sport system, even though it is more 'professional' than ever.

## A detrimental effect

Sport at elite level is having a detrimental effect on the grassroots as some of its governance principles and management practices are being pushed upon small community organisations in an attempt to make them more professional and thereby more successful.

But quite the opposite is happening. Due to increasing levels of bureaucracy, regulations and governance structures, volunteers are not as willing to give their time in small sports organisations. Participants are all too wary of the large amount of

time commitment and cost related to getting started.

In short, governance (and excessive formal structures of control) is killing the voluntary sport sector. Numerous clubs have indicated problems in recruiting volunteers and participants because this kind of sport has become too complicated and too much like work. So, when considering how governance can improve the performance of organisations, we also have to recognise that it can have negative consequences and, in excess, decrease or even eliminate the organisation if resources are affected.

## Good governance

Governance is about compliance, control and accountability and is applied at global, national and organisational levels. 'Good' governance is promoted as something for all organisations to achieve. For example, the Global Good Governance Awards (3G Awards) are presented to governments, corporations and non-government organisations for excellence in transparency, governance and social responsibility.

These awards and other external indicators of quality are often labour intensive, additional to one's normal job description and require considerable time, expertise and motivation to achieve. It is always nice to get an award, but what real purpose do they serve? Are they good value for the investment required to get them? Perhaps time would be better spent on improving governance, employee satisfaction and focusing on the internal operation of the organisation, as well as communicating directly with customers, employees and volunteers as to whether the governance is acceptable.

## Professional/elite sport

It is no secret that sport in general has been commercialised and professionalism has developed in many sports. The industry is reportedly worth \$620 billion. Statistics from AT Kearney, the Institute of Sport and the EU Commission indicate that sport is economically, socially and politically powerful. With this fast growth, large sums of money are spent on sport by broadcasters, sponsors, event and stadium management, as well as innovative technology used to deliver the spectator experience. This growth has been met with greater governance and controls to make stakeholders accountable and promote the traditional core value of sport as a healthy, amateur, character building phenomenon.

With more stakeholders and diverse (sometimes conflicting) interests in sport, there has been a rapid rise in corrupt, unethical practices to circumvent governance codes in order to capitalise on the commercial gains. The Lance Armstrong case was a catalyst to extensive governance reform in cycling.

Doping across all sport has led to the growth of national anti-doping organisations across many countries as well as the World Anti-Doping Agency to combat this threat to sport integrity. Some would argue the tight controls and increases in governance

are due to trust violations, leading to a lack of trust in the governance of sport. The solution has repeatedly been to increase formal mechanisms of governance. Yet as formalisation increases, particularly in the form of more rules, regulations and sanctions, the stronger more social mechanisms of control become an attempt to circumvent the stranglehold of new rules.

### Community sport clubs

Community sport clubs (and many other small, voluntary organisations) lack structure, rules and formal operating procedures to provide professional services to members. In other words, they lack good governance – transparency, accountability and the tools to be responsive, effective and efficient. These characteristics may sound desirable and something for all organisations to strive for, however, although they can have positive impacts, they can also create uncertainty and resistance, particularly if they are in opposition to the current values.

For example, many community sport clubs are social in nature, founded on mutual interest and hobby motives, which develop for years with little interference from society, governments or beyond their local community. Yet over the last decade, there has been a shift. National policy in the UK, Canada, Australia and other developed nations has suggested community sport clubs should become more efficient and effective to help achieve wider government policy objectives of increased social cohesion in communities, decreased healthcare costs through more active populations and elite sporting success through mass participation at grassroots level. Governments have also attempted to use community sport as a mechanism to achieve legacy from mega events, such as London 2012 Olympics, to much avail.

The reality is that the community sport sector is a diverse population of organisations differing in size, structure and formality. Their primary motivation is to serve their members and provide sporting opportunity – only some will be concerned with developing elite performers. Governance is something they have to do but how they interpret what governance is varies considerably. For most, holding meetings, planning events and fundraisers is a means to an end, not the focus of their existence.

### Impact of controls

Grassroots organisations operate differently to their large counterparts, but they are not immune to the pressures on all sport organisations to be accountable and efficient. The problems at elite level sport of corruption, mismanagement and unethical behaviour has been addressed through governance, tighter controls and regulations. These mechanisms have not been effective at this level and they cannot be expected to help small community sport organisations in their purpose either.

We need to think differently about how our sport clubs and all sport organisations operate; we need to understand the impacts of more formal controls



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## Governance can have negative consequences and, in excess, decrease or even eliminate the organisation if resources are effected

and develop innovative solutions that support these organisations rather than create more problems.

### Innovative solutions

We often ask community clubs to conform, to strive to be like larger non-profits and professional sport organisations. By doing this we treat the symptoms (a result of what is happening in professional sport) and not the cause. Governance in professional sport is in the public eye and the stricter controls enforced to solve problems of corruption, increase accountability and improve efficiency and effectiveness are short-term 'band aids' that are not, in the long term, effective, which masks the underlying problems.

Increased commercialisation of sport is changing the dominant values and the very institution of sport from one that is concerned with fairness, integrity and accessibility to one that is more commercial, individualistic and results driven. If we continue to expect governance of community sport to resemble governance of elite sport, we risk the same consequences of changing values and we may be seeing the negative implications already through decreased volunteerism and participation in sport.

Instead, why not emphasise 'innovation' in governance. Governance of community sport should not be painted with the same brush as larger organisations – volunteer run clubs have different values and needs. If they are not to follow the same downward spiral of values and trust we need to pay closer attention to their strengths, rather than their weaknesses.

National policies and governance organisations should explore and celebrate the good work that community sport clubs do and recognise that control mechanisms operating in clubs can be varied and include administrative, strong social controls (emotion, language, identification, trust) and personal/self-controls (psychological motivations).

Rather than focusing on how we can increase governance (and formalisation), we should focus on how we build trust in sport and how other mechanisms, such as social and self-control, can drive what they do. A bottom up approach to policy making, where clubs are consulted on what they want, what their members need and what resources are required to deliver strong, valuable sport programs to their communities is what clubs are interested in.

Rather than focus on 'fixing' them, we need to take a step back to examine the bigger context in which they operate and develop an approach that is realistic and serves the needs of community organisations.

### The Code for Sports Governance

Sport occupies an important role in UK society. Millions of people participate, watch, support or give their time as volunteers in a vast range of sports every week. It also draws significant public investment. Over the past four years UK Sport and Sport England have awarded over £1 billion of National Lottery and Exchequer funds to sports bodies at both elite and grassroots levels. It is reasonable to expect that this public money is invested in well-run, administratively competent and transparent organisations.

The Code for Sports Governance, published by UK Sport and Sport England in October 2016, sets out the requirements in terms of structures, transparency, accountability and financial control which sporting organisations will have to satisfy if they wish to receive public funding from April 2017.

In adopting a tiered approach, with specific requirements beyond a mandatory minimum tailored to the organisation seeking funding, the Code aims to introduce principles of good governance at all levels of UK sport where public money is invested. It is also sensitive to the dangers of placing an onerous administrative burden on smaller, under-resourced bodies which may deter them from making applications and which may prove unbearable to those with a volunteer base.

The detailed operation of the Code will only become apparent as tailored requirements and bespoke timetables for compliance are set out under individual funding agreements. Equally important will be the arrangements which the two bodies are committed to putting in place in terms of support and guidance for organisations. Not all sports bodies are administered by governance professionals and rely instead on the skills and experience which their membership – often volunteers – bring.

The key will be to strike the right balance between what is proportionate, achievable and sustainable on the one hand and what is required in terms of the processes to handle public funds and inculcating a transparent, accountable culture on the other.

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