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**WORKSHOP on
Good Governance in Sport**

Badminton Europe Members' Forum

Dubrovnik, Croatia, 13 April 2018

WHY? - The strategic importance of good governance in sport

A sound platform of good governance:

1. Builds **TRUST**
by enabling strong
relationships with key
stakeholders of sport

2. Builds **GROWTH**
by facilitating
increased participation
and increased revenues

3. Builds **PERFORMANCE** by
attracting and
retaining people fit for
the task, motivated
and supported to
perform to their full
ability

Sport organizations exemplifying good governance benefit from doing so in their engagements and partnerships with key stakeholders in the following ways:

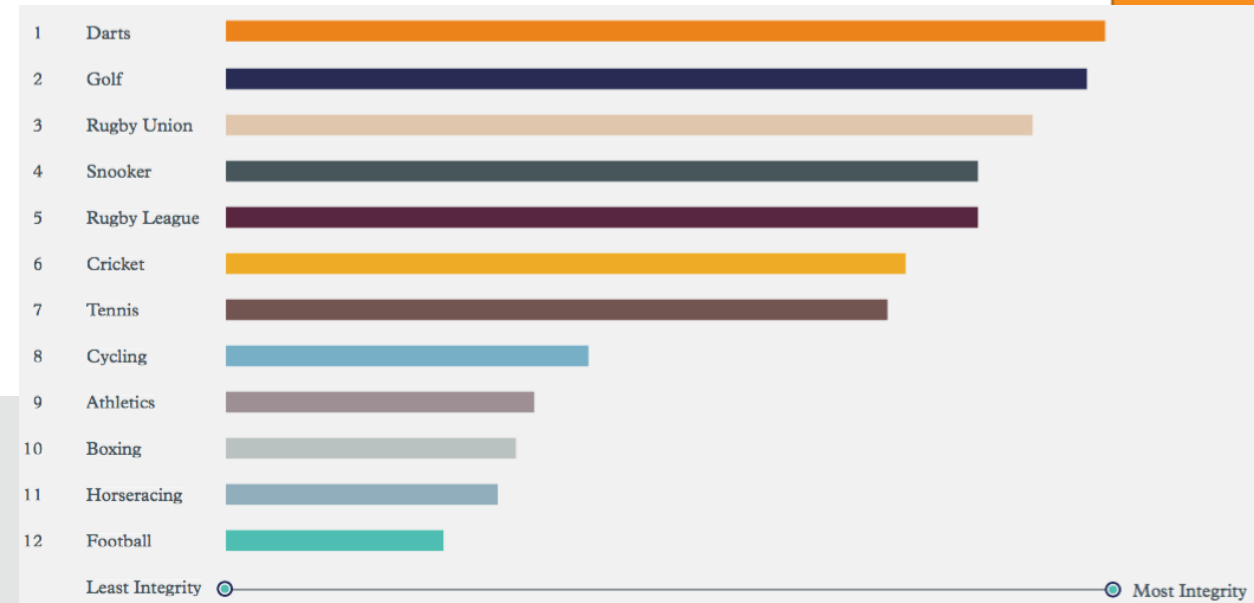
- *Athletes* (and potential athletes): Sustaining/increasing interest and pride in practicing sport.
- *Fans*: Sustaining/increasing interest in attending sport events or following them on TV and other media.
- *Sponsors and media broadcasters*, expecting a positive association through their investments: Sustaining/increasing funding.
- *Host governments and intergovernmental organizations*: Preempting strict and inflexible regulatory oversight (safeguarding autonomy). Keeping privileges such as tax exemptions. Sustaining/increasing funding.
- *Law enforcement authorities*: Proactively managing legal liability risks for the organization and individuals on its board and executive management.
- *Auditors and banks*: Preempting being seen as high-risk business partners and subsequently sustaining competitive rates for services and full flexibility in choosing among all relevant service providers.
- *Civil society organizations*, as the most trusted societal players: Preempting critical campaigns and negative media coverage. Sustaining/increasing the level of trust with all stakeholders of sport.

WHY? - The strong link between trust in sport and interest in watching sport

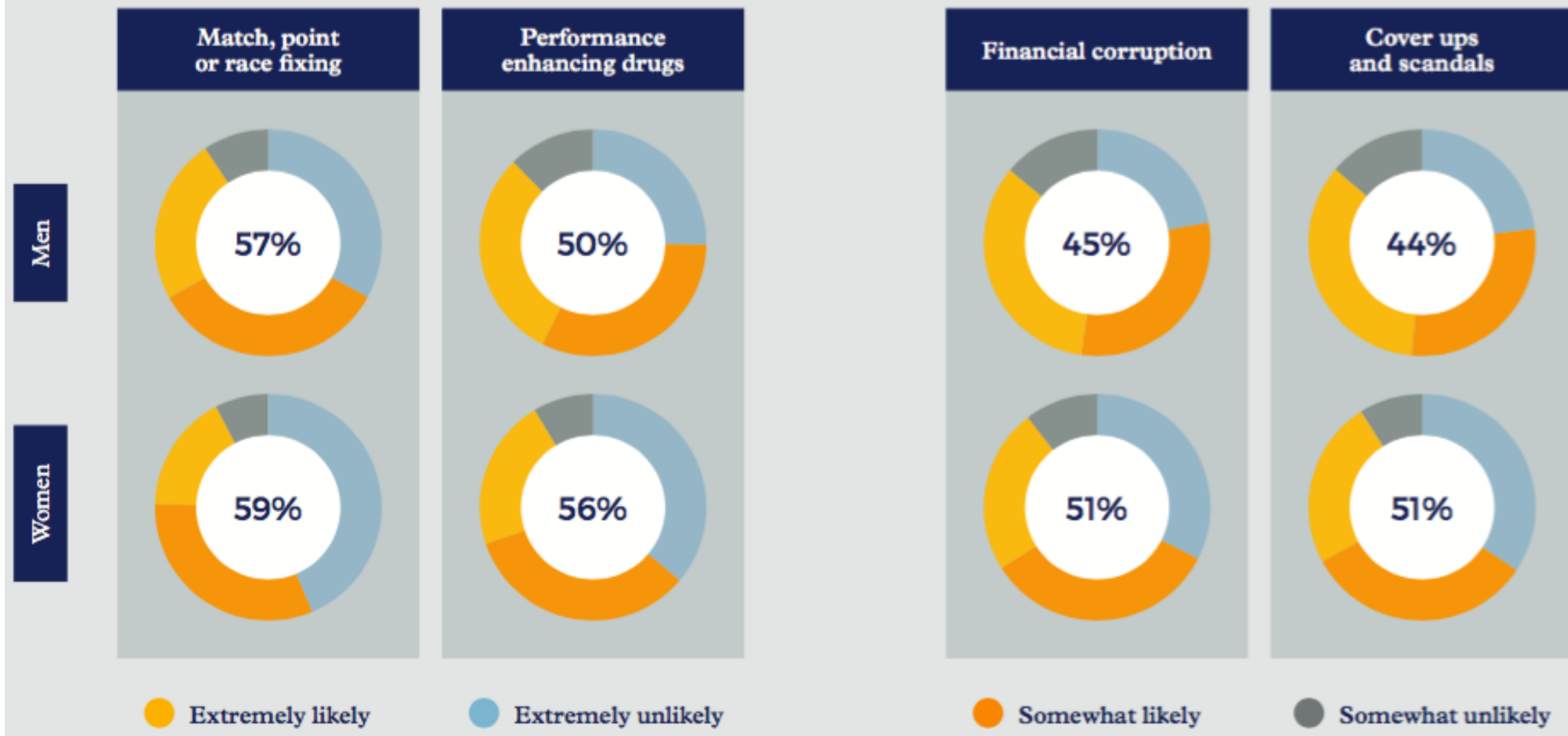


62% OF FOOTBALL FANS BELIEVE FOOTBALL IS MOST LIKELY TO BE ASSOCIATED WITH FINANCIAL CORRUPTION.

80% OF ATHLETICS FANS BELIEVE ATHLETICS IS MOST LIKELY TO BE ASSOCIATED WITH PERFORMANCE ENHANCING DRUGS.

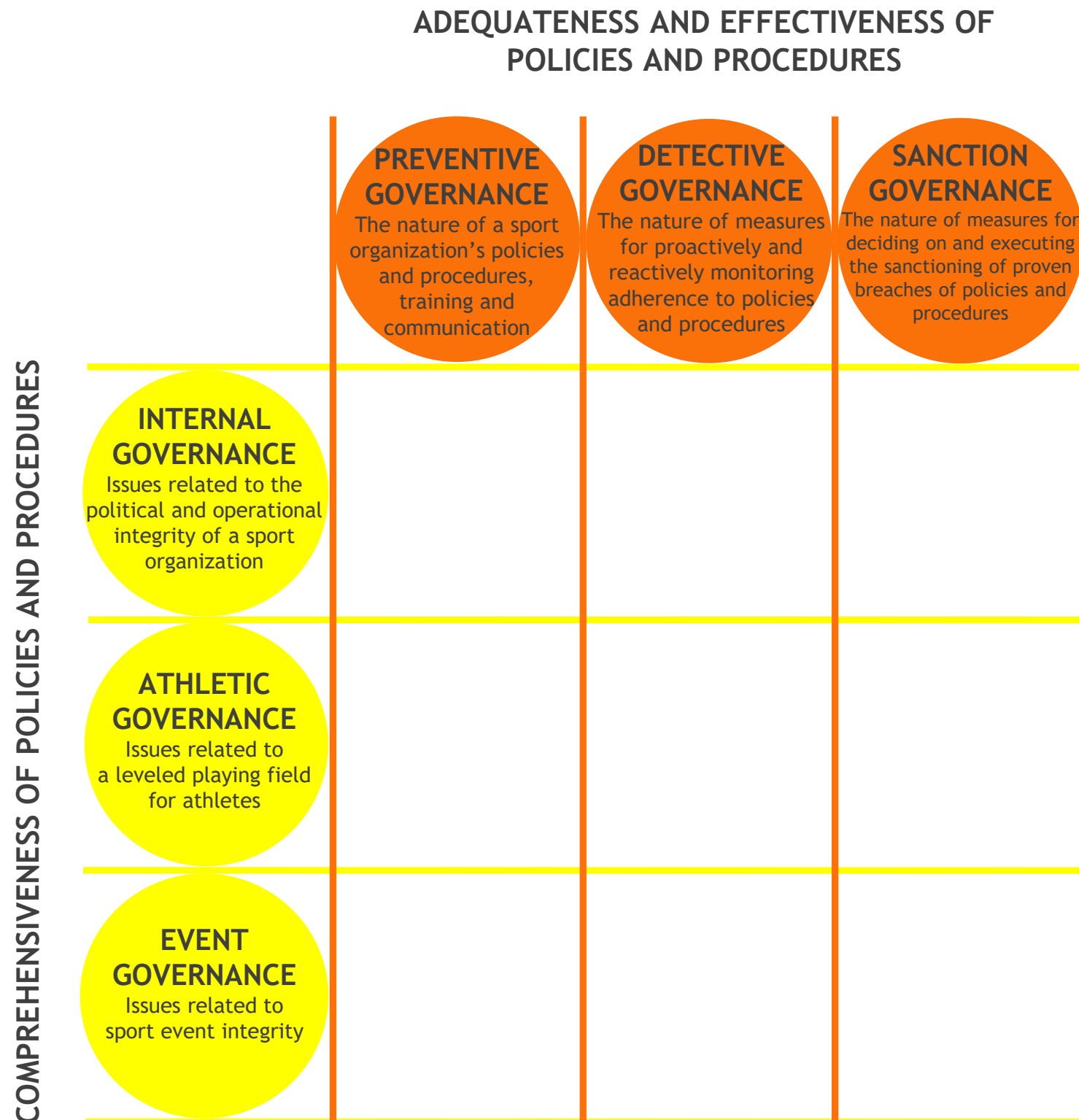


How likely would you be to stop watching professional sports (live or on TV) due to the following issues?
[Net likely (%)]



Reference: UK Sports Integrity Index 2017 by Portland Communications

WHAT? - Dimensions of sport governance



WHAT? - Examples of sport governance issues



COMPREHENSIVENESS OF POLICIES AND PROCEDURES

INTERNAL GOVERNANCE

Issues related to the political and operational integrity of a sport organization

Nepotism in hiring, vote-buying in elections, conflicts of interest, lack of diversity, very long terms in office, culture of yes-saying, lack of a merits-based boardroom, no clear separation of roles and responsibilities between political and operational management, lack of transparency and accountability (for instance in not making audited financial statements publicly available), no formal voice to key stakeholders, development funding as a source of corruption.

ATHLETIC GOVERNANCE

Issues related to a leveled playing field for athletes

Doping, match-fixing, illegal betting, unequal access to participation in sport and to talent spotting and talent development, abuse of athletes, athlete safety, athlete agents as a source of corruption.

EVENT GOVERNANCE

Issues related to sport event integrity

Bidding processes and selection of sport event hosts as a source of corruption, unfair ticket pricing and distribution, reselling of tickets as a source of corruption, selection of sponsors, granting of media broadcasting rights as a source of corruption.
For big sport events, also critical societal issues that are directly associated with the building of event infrastructure and indirectly associated with the event being hosted by a particular country, i.e. concerns related to human rights, labour standards, the environment and anti-corruption.

WHAT? - Examples of sport governance issues



ADEQUATENESS AND EFFECTIVENESS OF POLICIES AND PROCEDURES

PREVENTIVE GOVERNANCE

The nature of a sport organization's policies and procedures, training and communication

Risk assessment of governance issues; comprehensiveness and adequateness of rules and procedures in statutes, bylaws, policies and codes of conduct; induction and regular training of board members, staff and volunteers; communication to other relevant internal and external stakeholders.

DETECTIVE GOVERNANCE

The nature of measures for proactively and reactively monitoring adherence to policies and procedures

Privacy rights; rights and responsibilities of persons under investigation; the execution of internal controls such as confidential channels for whistleblowing and internal and external audits.

SANCTION GOVERNANCE

The nature of measures for deciding on and executing the sanctioning of proven breaches of policies and procedures

Privacy rights; rights and responsibilities of persons to be sanctioned; independent decision making of judicial bodies.

WHAT? - The nature of conflicts of interest



Board members of sport organizations often have one or more of the following conflicts of interest:

Business related conflicts of interest

Business related conflicts of interest arise from actual or potential personal business with the sport organization, in which a person has a formal role, i.e. consultancy agreement and/or selling services or goods (or similar business of close family members or close friends of the person).

Intra-organizational conflicts of interest

Intra-organizational conflicts of interest arise from a person having more than one formal role within same sport organization, i.e. the mix of responsibility for promoting sport and policing sport or the mix of responsibility for several aspects of policing sport (making the rules, monitoring adherence to the rules, sanctioning proven breaches of the rules and considering appeal of sanctioning).

Inter-organizational conflicts of interest

Inter-organizational conflicts of interest arise from a person having formal roles in more than one sport organization, i.e. the mix of a formal role in one sport organization and formal role(s) in other national, regional and international sport organization(s) and/or a sport event bid organization or a local organizing committee.

Extra-organizational conflicts of interest

Extra-organizational conflicts of interest arise from a person having a formal role in one or more organizations outside the sport sector, which collaborate or would like to collaborate with and/or influence a decision of the sport organization, in which the person has a formal role. Such organizations include civil society organizations, sponsors, media broadcasters and government entities.



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