Less is more? Checks and balances in sport organisations

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Checks and Balances in Sport Organisations

- Insufficient democratic participation
- lack of adequate control
- oligarchic tendencies
- stakeholders’ opportunistic behaviors
- Threats to organisation’s trustworthiness and efficiency
- failure to comply with ethical and judicial standards
- crowding out of intrinsic incentives by extrinsic ones
- collusion
Checks and balances is not limited to the three divisions of a government, but also refers to a mechanism designed to limit power of individuals or bodies in corporate organizations or other social institutions.

System of checks and balances is part of organizational governance, a system by which the elements of an organization are directed, controlled and regulated (Hoye & Cuskelley, 2006, p. 3 f.).
Checks and Balances in Sport Organisations

**System of Checks and balances**

- refers to organisational governance
- is integral part of concept of Good Governance in sport organisations
  other: transparency, democratic representation, solidarity
- has strong ties to risk assessment
- includes internal and external control structures
Some basic principles of checks and balances in large/small non-profit organizations:

1. Segregation of duties
2. Clear lines of authority and definitions of responsibility.
3. Fraud control policies and plans
4. Active (internal and external) control procedures
Checks and Balances in Sport Organisations

Some tools of Check and Balances and (Active) Control Procedures

- Presence of Ethics Committee (allowed to start own investigations)
- Presence of good governance guidelines / Presence of an ethics code
- An updated and concise manual of policies and procedures in place
- Fraud awareness training
- Plan for combating and responding to fraud
- Two Signatures on Checks
- Yearly audit
- Term Limits
- ...

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Checks and Balances in Sport Organisations

“Confident leaders demand honest, direct debate among team members. While extreme conflict and animosity has no place in an organization, a certain amount of tension is healthy.

A company without tension has a weak system of checks and balances” (Easter, 2009), and is therefore much more vulnerable for mismanagement, corruption and fraud.
Less is more?

No!

**More** Checks and Balances and more control is needed to ensure good governed sport

And:

We need **more** sport organisations which establish Good Governance / Checks and Balances / Control Systems

The concept of Checks and Balances is not limited to big federations. Small voluntary organisations can make use of it as well (**bottom-up approach**)

If you are in a local sports club: install a system of checks and balances or:

Ask your regional/national federation how to install such a system!

Thank you!