

Limited terms and good governance

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Aim

To investigate the impact that 'limited terms' are considered to have on the governance of sport organisations.

Literature review

The topic of good governance of sport organisations has become of great prominence within the international sport world and has spawned a myriad of principles, frameworks, guides and codes all aimed at addressing clearly identified (and often public) weaknesses in the governance of international sporting organisations. For example, structures guiding the governance of sport organisations have been published by the IOC, the Sport and Recreation Alliance (UK), the Australian Sport Commission as well as a large number of International Federations and National Olympic Committees globally. Researchers who have addressed the topic, such as Henry and Lee (2004), Mowbray (2012) and Taylor and O'Sullivan (2009) have also suggested structures and principles to underpin and support governance.

A review carried out by Chappelet and Mrkonjic (2013) shows that many of these structures address the principle of Board turnover and advocate fixed term lengths and term limits in order to "encourage board renewal while retaining corporate memory" (Australian Sports Commission, 2012). Without doubt, although having advantages in terms of organisation innovation, freshness of insight and entrepreneurship, board renewal is increasingly gaining importance as an anti-corruption/transparency measure. However, it is also clear that a number of international sport organisations have not adopted the concept of limited terms and this research aims to investigate the arguments for and against the introduction of term limits.

Method

The research was carried out by semi-structured interviews with 35 representatives from Olympic/Commonwealth sporting organisations across the world, both with and without fixed terms. For example, organisations based in Germany, Trinidad and Tobago, USA, Malawi, Kenya, Vanuatu and Malaysia were included in the research. Interviewees were asked their opinion of fixed terms, possible impacts, practices of their organisations and explanations for the choice their organisation had made. The interviews lasted between 45 minutes and 2 hours and were manually coded, initially using the research questions and then by emerging theme. Indicative themes were loss of skill and experience, recycling of positions and loss of advocates for the organisation.

Results and discussion

The research found that most organisations were either still considering fixed terms, or had considered them and rejected them because of perceived disadvantages. These were predominantly concerns over the loss of skills and knowledge from the Board (we wouldn't know what to do if the Board had to leave), but also about loss of prestige and reputation for the individual and the organisation. For example, when a national sport association had a representative on an international

federation board, then they were less likely to have limits that would force that individual to give up their place on the Board (the [IF] rules state that XX has to be on our board – why would we give away our IF position, which we'd have to if XX wasn't on the Board?). It was also noted that, in some cases, Board limits were thought to lead to 'position cycling' where individuals stood for one position after another to stay on the Board (they can get around it..they can be Treasurer, Sec Gen, President and then back to the start...so what difference does it make?). This was borne out in some organisations where term limits had been introduced. Those that had introduced limits had done so because they believed (often without evidence) that they were a requirement for good governance and that they were required to as they were part of the Olympic Movement (they're in the Basic Principles aren't they? We're a NOC, so we have to have them...don't we?). It was also clear that Board limits are considered to have implications for succession planning and those that had introduced limits felt this was a good thing, whilst this was a barrier for many organisations without limits (who would do the work? There's no one interested, we ask...and no one..).

Conclusions

It would appear that a case based on 'organisational renewal' needs to be made more strongly if the argument for limited terms is to win over sport organisations. This research showed that concerns over the loss of existing expertise outweighed any belief in the benefits of board renewal in many of the organisations involved in the research. Indeed, even those that had limited terms had primarily introduced them for compliance reasons, rather than the opportunity for innovation and 'fresh thinking'. Arguably, given the difficulties that sport is facing at this stage, it is the anti-corruption argument that is more likely to bring about a wider introduction of term limits into the governance of sport organisations.

References

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