

Corporate governance in Irish Rugby clubs: An analysis of the issues in the professional/amateur era

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Aim of paper and research questions

Sport in Ireland is popular and widespread. The level of participation and attendance are high but as in other western European regions, participation has been dropping due to the increased popularity of other activities such as watching television and playing computer games. Rugby is one of the more popular team sports in Ireland but in terms of participants it is no. 4 – behind Soccer, Gaelic games and Basketball (Mintel Report, 2003). Few sports in Ireland are fully professional, apart from rugby and golf and the Irish sports sector is less developed than that of other countries – England, Spain, France and Holland.

With the shift to professional Rugby in 1995, changes in club arrangements (governance organizational structure and management) were made designed to ensure the success of the professional game and to strengthen the amateur game. The Irish Rugby Football Union (IRFU) is the game's national governing body (NGB) and operates on a 32 county basis (since 1921, under the Government of Ireland Act 1920 the island of Ireland consists of the Republic of Ireland [26 counties] and Northern Ireland [6 northern counties] which is part of the United Kingdom). The game is popular particular areas of Munster, Leinster and Ulster and has been associated with the upper or middle classes (Cronin, 1999). Efforts are now being made to make the game more inclusive using various schemes. However, given the economic downturn in the Irish economy, all NGBs will 'need to develop techniques to manage in difficult times' (Walsh, 2009).

The research questions for this study are – what governance principles apply in rugby clubs (amateur and professional) in Ireland? What impact (financial, social, cultural etc) has professionalism had on the amateur game? Do Rugby clubs engage in strategic planning and if so, how are its efforts supported by the governing body?

Literature review

Mallin (2002) defines governance as the exercise of power over and responsibility for corporate entities. Hums and Maclean (2004) refer to the hierarchical nature of certain sports bodies/ organizations. They highlight the existence of organizational sub units/work units which have designated roles, responsibilities and a varying degree of authority – General Assemblies, Executive Committees and Management Councils, Standing Committees. Hums and Maclean (2004) define sport governance as 'the exercise of power and authority in sport organizations including policy making, to determine organizational mission, membership, eligibility and regulatory power, with the organization's appropriate local, national or international scope'. Sports bodies and organizations depending on their ownership and type, aim to achieve strategic objectives such as to increase participation in their sport, raise the profile of the game, and/

or make efficient use of their key resources and capabilities. The attainment of these strategic objectives is influenced by developments (political, social, economic, and competitive) both within and outside the body/organization. National governing bodies (NGBs) are complex and diverse which have an economic aspect, are mission related with particular operational forms. Many sports clubs in Ireland rely on voluntary input (Delaney & Fahy, 2005) either at management level or coordinating particular activities (coaching, training, competitions). Getting the 'right' balance between paid employees and volunteers is a challenge for many organizations, including rugby clubs.

Research design and data analysis

This study is designed to explain the changes which have occurred in rugby club governance and draws mainly on qualitative data. Both secondary and primary data were used. Secondary sources included various annual reports and newsletters, the IRFU strategic plan, club web pages and newspaper articles. Primary data were collected by way of in-depth semi structured interviews with leading personnel (current and past) from the IRFU, clubs (amateur and professional), the branches and schools rugby. Purposive sampling was used to select the interviewees (n = 20) and each interview lasted approximately 30 minutes. Copious notes were taken during each interview and written up afterwards. Content analysis was used to identify the primary themes emerging which allowed comparisons to be made between clubs according to status (professional / amateur).

Discussion and conclusion

Our preliminary study findings reveal that there are variations between clubs' ambition, organizational, management structure and governance arrangements. Much emphasis is placed on financial management in all clubs, with attaining competitive success a common theme among all interviewees. The professional clubs now pay much attention to selecting Board members', club HR/sponsorship aspects are crucial along with player education (sport and non sport). The professional game has impacted strongly on attendances at club (amateur) games which is a concern and recruiting, managing and training volunteers are considered challenges for both types of clubs.

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