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Creation of an independent body for the control of the governance of sporting organisations worldwide

S. Arcioni¹, P. Vandewalle²

¹*Private Universitat im Furstentum Liechtenstein, Berufsbegleitend, Triesen, Switzerland*

²*Institut National du Sport de l'Expertise et de la Performance, Relations internationales, Paris, France*

sandro.arcioni@gmail.com

Research question

The world of sport and its organisations is a complex system due to the numerous elements which are involved and due to the ambiguity of the relationships between the members and the environment. The International sporting Federations (IFs) are organised according to the rules of the Olympic system but each IF is an independent association according to article 60 in the Swiss Code.

Currently, except for the Olympic Charter, the 2000 IOC report, the IOC document: “ Basic Universal Principles of good governance in the sports Olympic Movement”, and Resolutions 41 et 42 in the 2009 Copenhagen IOC report : The Olympic Movement in society”, there is no recommendation, no law, nor regulation body (control) that is applied to the domain of sport. There is no such law as the « Sarbanes Oxley Act » to control economic companies or such as the UN-Watch for Non Governmental Organisations (NGO). Only the Court of Arbitration created in 1983 and the Anti-Doping Agency (WADA) exist.

How can the world of sport regulate itself, i.e. control and improve its governance?

Based on the literature related to the governance of Non Governmental Organisations, Non-Profit Organisations and existing models for the world of profit companies as well as some Non Governmental Organisations, the objective of this communication is to suggest a study on the creation of a regulation body, i.e. the World Sport Governance Agency (WSGA) which will compel the sporting organisations to have a control and regulation mode just like lucrative companies.

Theoretical background

In the United States, after Enron, Tyco and Worldcom scandals at the beginning of the 21st century, a new law was promulgated for profit companies; it was the Sarbanes-Oxley Act which followed the code of best practices proposed by Cadbury in 1992 for Anglo-Saxon companies. It was the same phenomenon in Europe with the European rules regarding good governance and “Basel II Act”.

Afterwards, reflections on sustainable development for companies gave rise to new standards i.e. AA1000, SA 8000, SD 21000 standards, etc., proposing the control of the involvement of managers, i.e. their imputability (Fustec et Marois, 2006, Féron, d'Aracimoles, Bello et Sassenou, 2001).

As to charities, those reflections caused the creation of a supervision body, the UN-Watch for the Non Governmental Organisations which were not members of the United Nations (UN) with the ISO 26'000

Standard.

Thus, our study proposes the creation of a World Control Agency for the governance of sport worldwide. It is based on the seven key principles of organisational governance by Henry and Lee (2004), on the system of Policy governance proposed by Carver (1997, 2001) for non-profit organisations, on the reflections by Chappelet (2006) about the repeal of the Olympic Advocates Together Honorably (OATH) and on the idea of a "Lausanne Convention", as well as on the analysis of governance by Pérez (2003) and the approach to the governance assessment of IFs as described by Arcioni (2007).

Our study is based on an approach to the following sources:

- The seven key principles of organisational governance as described by Henry and Lee (2004),
- The system of "Policy governance" proposed by Carver (1997, 2001) for non-profit organisations,
- The reflections by Chappelet (2006) after the removal of the Olympic Advocates Together Honourably (OATH),
- The analysis framework of governance by Pérez (2003) as well as on the approach to the assessment of governance of International Federations described by Arcioni (2007).

Methods

We took three steps in order to analyse the need for the creation of an independent agency for the control of governance and also to identify the risks incurred by the IOC if no action is taken:

- 1) A preliminary analysis of the needs of the IOC, of the IFs, of the NOCs from 2008 to

2009, using questionnaires, a field study as well as an analysis of the IOC documents was carried out. Moreover, the literature pertaining to management and to the control of the world of sport was studied and compared to the running of the economic world.

- 2) An analysis of the risks incurred by the IOC if no action is taken concerning :
 - a. The way the Olympic receipts are used ;
 - b. The choice of the host cities for the Olympics;
 - c. The introduction of a new sport in the Olympics;
 - d. Jurisdictional hierarchy ;
 - e. The fight against corruption ;
 - f. Etc.
- 3) A proposal concerning the creation of an independent body for the control and assistance of all the members of the Olympic Movement and the sport family in the domain of governance, i.e. the World Sport Governance Agency (WSGA).

Results

Based on our field research and on the study of the literature as well as on the running of the UN-Watch, the codes of best practices, and the studies carried out by Arcioni (2007), we managed to make the following proposals:

- 1) A list of risks which are specific to the world of sport if the IOC does not take any action to create an independent agency for the control of governance in the world of sport;
- 2) The running principles of such an agency : firstly, help the members of the world of sport to improve their governance, secondly assess regularly the governance of its members in order to maintain the improvement of their governance, thirdly to decide on a standard to access the status of "Olympic sport";
- 3) A model for the recognition, funding and running of the agency;
- 4) The prospects of the creation of the WSGA for the world of sport.

Conclusion/Application to practice

In conclusion, this presentation offers some necessary elements for the creation of a world assistance and regulation agency for the international governance of sport by the IOC: the World Sport Governance Agency (WSGA). It also provides a risk analysis if the IOC takes no action just like the UNO, via the UN-Watch or a media group created its own agency to regulate sport. As a result, its regulation would not be subject to any control from the world of sport itself.

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Key-words

Governance, Agency, Regulation, Assessment, CIO, IFs, World Sport.