# WHY BEING TRANSPARENT? CAUSES AND IMPACTS OF TRANSPARENCY IN CZECH NATIONAL SPORT ORGANIZATIONS

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### Keywords

Transparency, national sport organizations, sport governance, governance in CEE countries, acquiring resources, governance guidelines.

### Aim of the paper

Transparency is one of the key principals of good governance and almost every code on good governance emphasizes the role of transparency. In spite of that, there is a lack of studies exploring how transparency can affect performance of National sport organizations (NSOs) or non-profit organizations generally. Central and Eastern European (CEE) countries often struggle with low transparency, so it makes a good ground to examine the impact of transparency on sport governing bodies. The aim of the study is to explore the level of transparency in Czech national sport organizations and, explore possible sources of low transparency and possible impact of transparency on performance of NSOs.

## **Theoretical background**

Transparency represents one of the most important principals for stakeholders of any organizations because it ensures that managers and board members act visibly and understandably, and report on their activities (Transparency International, 2012). Phillips (2011) conducted a survey to determine a governance code for European team sport federations. Searching for general areas of governance he found that transparency was mentioned more than all others areas of governance. Hence, his findings prove importance of transparency. On the contrary, the impact of transparency is usually examined from theoretical perspective only. For instance, ENSGO (European Non-Governmental Sports Organisation, 2000) provides a proposal for guidelines and recommendations for sport organizations where issues of transparency are described. The consequences of transparency are limited to few general wordings such as fruitful co-operation or voluntary spirit. To sum up, there is a lack of research examining transparency and its impact on sport organizations or non-profit organizations generally.

Assessment of transparency requires a consensus what information should be disclosed. National Council for Voluntary Sector (2005) develops transparency in detail and presents categories of information that should be provided to stakeholders. In sum, information given to stakeholders must reflect: governance structure and policies, organisation's plans and developments; organisation's performance, impacts and outcomes; successes and failures. This information should be given in formats accessible to stakeholders.

### Methodology, research design and data analysis

Mixed method approach was used in equal status sequential design (QUANT  $\rightarrow$  QUAL) (Rudd & Johnson, 2010). Firstly, content analysis of websites of 67 Czech NSOs was conducted. The analysis allowed to determine the level of transparency and also provided some variables for quantitative part of the study. Purposive sampling was used to choose nine NSOs where subsequent interviews with CEO or head of the board were done. And finally, quantitative data survey was conducted in all 67 NSOs using phone interviews and e-mail survey. The quantitative data were processed using SPSS and R Project for Statistical Computing.

#### Results, discussion and implications/conclusion\*\*

Results of the content analysis revealed low level of the transparency within Czech national sport organizations. Only 13 NSOs were classified as having a minimum level of transparency and 34 NSOs were classified as non-transparent. The remaining 22 NSOs were assessed as quasi-transparent. No characteristics or structural variables available from the content analysis were related to transparency (e.g. size of NSO, Olympic vs. non-Olympic sport, collective vs. individual, professional or amateur sport, etc.). The subsequent interviews in nine NSOs exposed very low awareness about transparency and two substantial causes of low transparency were identified. First, the concept of transparency is not enrooted in the society. Some representatives consider budgets, income statements and other important documents as inside information that should be presented only at general meetings to delegates of affiliated sport clubs. Some of the CEOs seriously hesitated or, were not sure to be allowed, to provide elementary governance documents such as statutes, budget or income statements. Second cause is seen in very low interest of stakeholders (members, coaches, athletes, event organizers, etc.) in governance and thus, there in no demand for information. Low demand puts no pressure on boards to publish information about NSOs.

**\*\***The quantitative part of the research is currently in progress; the results and conclusions are guaranteed in time for the conference. The preliminary testing shows that there is a relation between transparency and capability to acquire own financial resources.

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