

## How to run your club

### Module One- Key responsibilities

Governance is the system by which a club is run and controlled. It is about how a club manages its resources to good effect for both members and others who have an interest in the club. It influences how the objectives of a club are set and achieved, spells out the rules and procedures for making decisions, and determines the means of optimising and monitoring performance. In summary governance is:

- common sense and knowing what your responsibilities are
- listening to your members and responding to them
- carefully monitoring the activities and finances of your club
- attending and actively participating in club meetings
- developing some basic risk management practices for your committee and your club

It is commonly accepted that governance structures have a significant impact on the performance of sporting organisations. The *Australian Sports Commission (ASC)* recognises that effective sports governance requires leadership, integrity and good judgment. Additionally, effective governance is characterised by a series of good practices.

#### CHARACTERISTICS OF GOOD GOVERNANCE

**Discipline** - commitment by the organisation to widely accepted standards of correct and proper behaviour

**Transparency** - the ease with which an outsider can meaningfully analyse the organisation's actions and performance

**Independence** - the extent to which conflicts of interest are avoided, such that the organisation's best interests prevail at all times

**Accountability** - addressing members and stakeholders' rights to receive, and if necessary query, information relating to the organisation's assets and its performance

**Responsibility** - acceptance of all consequences of the organisation's behaviour and actions, including a commitment to improvement where required

**Fairness** - acknowledgement of, respect for and balance between the rights and interests of the organisation's various stakeholders

At its core, governance is about the way a club deals with the following three key issues:

**Planning** – developing plans and determining how the details of these plans can be achieved.

**Organisational performance** - monitoring the performance of the club against its plans and targets.

**Leadership** - ensuring the club is governed responsibly with the best interests of members in mind.

Effective governance structures will mean;

- Your club *is better managed* and more efficiently organised.
- *Improved communication* - facilitating better informed members and volunteers.
- *Enhanced sustainability and growth* through careful business planning and implementation of policies and procedures to help sustain and develop your club and the sport.
- *Greater ability to attract sponsors* as they are more likely to link up with efficiently run organisations.
- *Increased membership* - as people will be attracted to a club that is being well managed.
- *An enhanced reputation* - through satisfied members raising the profile and reputation of your club.



### Activity

Think about how your club is governed.

Is the management of your club undertaken using formal procedures?

How does your club perform against the characteristics of good governance shown in the table that follows?

Characteristic	Your club's situation
Discipline – are standards, systems and procedures in place?	
Transparency – is it clear to all how the club is managed and run?	
Independence – is there a proper process to manage conflicts of interest?	
Accountability – are decisions communicated throughout the club and board and committee members held accountable for these decisions?	
Responsibility – are all club members held accountable for their actions?	
Fairness – are the rights of all club members recognized and respected?	

The governance structure of most clubs is based on a standard board or committee of management model.

The majority of the board is generally elected by its members - however it is becoming more common for boards to also allow for a number of appointed positions. These appointed positions allows a board to identify key skills such as financial management or marketing and to look for people inside (and outside) the club with these skills who may be appointed to the board.

While the model of governance may vary for different clubs, there are common core roles and functions of governance that need to be considered by every club.

The board's primary responsibility is one of trusteeship on behalf of its members and ensuring that the club remains viable and effective in the present and for the future.

The core functions of a board or committee should be:

- setting and monitoring the club's mission, purpose, direction and priorities
- regularly scanning the environment in which the club operates to ensure that what it's attempting to achieve remains relevant and achievable
- monitoring the club's programs
- actively involving members in setting and monitoring the club's direction and activities
- maintaining positive relationships with people and organisations inside and outside the club
- being accountable to the club's members
- managing risk
- ensuring the board complies with all legal and governing body requirements
- managing finances
- reporting to members
- planning for succession

All the roles on a board or committee should be clearly defined and new members should know what is expected from them prior to appointment.

There are obviously key roles on a board such as president or chairperson, secretary and treasurer, but all board roles need to be defined. Effective boards ensure that the responsibilities and work load are shared.

The importance of strong and effective leadership at the club level cannot be overstated. Those clubs with enthusiastic and motivated presidents or chairpersons who follow formal and proper procedures are often the clubs that perform well with regard to membership, finances and competition success.

The points below list the characteristics, attributes and typical activities that together produce an effective and efficient president or chairperson.

What makes a good club president or chairperson?

- Provides leadership
- Makes sure the club adheres to all its legal, constitutional and governing body requirements
- Leads the club's agenda and ensures a focus on plans and objectives
- Encourages members to participate in meetings and activities
- Keeps the board discussion on topic
- Keeps the board's focus on key issues
- Ensures an effective decision-making process is in place
- Evaluates board performance
- Encourages improvement and identifies and rectifies deficiencies
- Recognises and rewards member contributions
- Plays the leading role in promoting and marketing the club
- Leads the reporting to members throughout the year and at the AGM



### Activity

Consider the list above and think about the board or committee of management at your club.

Is the board or committee of management displaying the characteristics, attributes and performing the typical activities listed?

Is there room for improvement and what needs to happen to produce this improvement?