

“From the Inside Lane to the Outside Track”: Sport’s Need for External Auditing to Raise Good Governance Standards



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Let's begin by telling the truth, namely, facts that are hardly subject to doubt by anyone with even a passing interest in sports.

- Fact No. 1: Governance reform in sport constitutes one of the most challenging and multifaceted topics in the realm of practice.
- Fact No. 2: Sport organizations (of all sizes and types) are under increasingly intense scrutiny from every conceivable stakeholder group.
- Fact No. 3: The sense of “marking one’s own homework” to adhere to good governance standards does not seem to prevent problems associated with poor organizational hygiene and lack of transparency.
- Fact No. 4: Yes, problems; across the entire sport ecosystem, serious problems need to be addressed, including fighting corruption (at management and competition fronts), fostering diversity and inclusion, ensuring safety through appropriate safeguarding mechanisms, as well as promoting physical and men-

tal wellbeing for all participants (athletes, volunteers, paid personnel, and spectators).

- Fact No. 5: Sport organizations are overcoming practical challenges and implementing substantial reforms internally, thereby responding positively to external scrutiny.

- Fact No. 6: Fact No. 5 still lags behind Fact No. 4 by a substantial margin.

So, what is required to win the race, even if we, by the looks of things, start from the outside lane? In my opinion, the answer can be found in the word ‘outside’. Obviously, I am using this metaphorically. Let me explain.

Sport (primarily expressed through international, national, and/or local sports federations, community clubs, and other relevant non-profit sports organizations) enjoys a unique degree of autonomy due to its inimitable role and social characteristics. Historically, sport organizations have had the right to self-organize and self-govern due to sport’s ability to contribute (directly or indirectly) to health, education, social integration, and culture. Nonetheless, as per fact No.



4, many sports organizations are experiencing a “legitimacy deficit” due to successive scandals relating to corruption, mismanagement, and oversights, thus putting their autonomy at risk. Indeed, this failure of sport organizations to adequately address the challenges posed by increased commercialization and sport complexity is evident in their governance practices. These ‘poor’ governance models manifest themselves in tangible ways across the board, including public support, confidence, investments, and sponsorship. As a matter of fact, individuals who have been designated as guardians of the sport system and who have assumed the responsibility of protecting its values are often undermining its integrity, thus jeopardizing its autonomy and reputation alike.

It is true, of course, that there are numerous stellar examples in the broader sport ecosystem that demonstrate that the work they perform is commendable (refer to fact No. 5). Organizational capacity and knowledge are the only factors that prevent them from achieving the highest level of good governance. However, in the most essential types of sport organizations, volunteers from all

walks of life are responsible for making things happen. Despite their great desire to support the sport they love, most of them have limited time, perhaps limited knowledge of governance issues, and undoubtedly limited access to training opportunities. The result of this is an oxymoron: asking enthusiastic volunteers with limited time and resources to monitor and oversee sport organizations in a highly professional manner.

A proliferation of indicators and principles has been developed over the last decade to address all these issues. In other words, the adoption of normative and ethical standards for regulating the behavior of individuals in those sport organizations. One way in which this can be accomplished is through what we call ‘benchmarking’. Good governance benchmarking represents abstract social constructs, designed by experts and which use aggregate numbers to illustrate how an organization is governed.¹ In our role as scholars

¹ Girginov, V. (2023) The numbers game: quantifying good governance in sport. *European Sport Management Quarterly*, 23(6), 1889 – 1905.

who research, teach, and consult on sport governance, we often question the overall internal validity of measuring ‘good governance’ since its impact has been unclear. Despite this, we continue to emphasize the legitimacy-based rationale for measuring governance, particularly in national and international sport organizations. As such, the apparent lack of conceptual consensus within the scholarly sport governance community does not necessarily reflect a growing level of interest from policymakers who continue to embrace benchmarking, and, subsequently, codification. In other words, codes that provide normative guidance through a number of articles on how processes within sport organizations should be conducted. Several such codes exist for sport organizations, both at the national and international levels. These codes have been established either as initiatives by the sport community (such as the Basic Universal Principles of Good Governance for the Olympic and Sports Movement; Key Governance Principles and Basic Indicators) or by national governments that, by introducing these codes through a stick-carrot approach

linked to annual funding, ask sport federations within their jurisdiction to follow them.²

This raises the question of how, now that benchmarking and codification have started taking effect, Fact No. 6 still holds true? In my opinion, merely adherence to indicators and principles that can elevate governance levels is insufficient. Neither is self-monitoring of how the principles are being followed sufficient. The way forward entails two parameters.

First, whatever indicators and principles for measuring governance levels must result from a comprehensive consultation with key stakeholders from the wider sport environment. In other words, the practice and meaning of good governance require the inclusion of the voices and perspectives of the people who are charged with governing their own organizations. It is exactly what SIGA refers

² Botwina, G., Winand, M., Koutsioundas, V., Fornalik, P., & Anagnostopoulos, C. (2022). Good governance codes in sport. Baseline Report. Warsaw: Institute for Sport Governance.

to as “peer-to-peer support”, which is an essential component of an effective monitoring and implementation process. Any other account would be incomplete and possibly misleading.

Second, benchmarking mechanisms by way of ‘compliance’ with these principles of good governance cannot be achieved through self-monitoring. Benefiting from the autonomy that sport organizations have enjoyed, and in the interest of ensuring their integrity, these organizations em-

ploy mechanisms for self-monitoring. However, research has shown that this way does really not work.³ As these mechanisms lack fully independent external monitoring of minimum criteria, it is unlikely that sport organizations will adopt good governance on a universal basis. I refer to this self-monitoring exercise as “running from the in-

³ Geeraert, A. (2019). The limits and opportunities of self-regulation: achieving international sport federations’ compliance with good governance standards. *European Sport Management Quarterly*, 19:4, 520-538.

side lane”. On the one hand, being in an inner lane gives you an advantage as you can observe the competition and your progress, but on the other hand, the turns are tighter and can slow you down. However, as opposed to popular belief, research⁴ suggests that outside lanes produce faster times, particularly during the 200-meter and 400-meter races. I hope my metaphor here does not confuse the reader. The race represents the ‘means’, not the ‘ends.’ Increasing governance standards should not be viewed as a sprint race with winners and losers. Instead, it involves a never-ending collaborative effort. Ultimately, capacity building (since, in essence, this is what we are discussing here) is more than a system of independent rating and verification; it is also about like-minded organizations collaborating to achieve the highest possible level of good governance implementation. My point through this metaphor is that rather than marking one’s own assignments (see fact No. 3), one may benefit substantially from allowing ‘teammates’ from the ‘outside’ lane to do so.

Now, let us assume that you have committed to increasing your organization’s governance lev-

⁴ Munro D. (2022). Are there lane advantages in track and field? *PLoS One*, 3, 17(8).

el. You have put in the hours and sweat to bring about meaningful change, even with the limited resources you have at your disposal. Your actions reflect good governance principles, and you are doing the right thing. So, how does pursuing certification from a third party benefit you? The following are some reasons why I believe this exercise is worthwhile:

It provides a tangible means of differentiating your organization from the competition;

- It provides a platform for demonstrating a commitment to good governance;
- Public administrators and politicians are assured that your organization is committed to protecting the integrity of sport;
- It indicates that taxpayers’ money is worth investing in (your) sport
- Potential sponsors find it appealing;
- Your good, hard work is independently verified by a third party.



A final note to clarify my position. I admire the work SIGA does in this space. SIGA is leading the cultural shift necessary to improve governance in sport. In my view, enhancing cooperation and concerted action across sports organizations is the basis for achieving this shift. For this reason, I invited Dr. Lindsay, SIGA’s Senior Director of Research, Knowledge, and Innovation, to join the Advisory Board of UNESCO’s Chair on Governance and Social Responsibility. A Chair whose long-term development goal is to foster an integrated system of research, education, and training to enhance the quality of governance practices within the sport industry and advocate socially responsible program designs that prioritize sport as a core component. Obviously, the highly nuanced, diverse, and complex sport eco-system makes sport governance reforms a challenging task (refer to Fact No. 1). The fact that something is difficult to achieve does not preclude exploring, explaining, and articulating it in a straightforward way that is theoretically supported and yet leads to actions that can be taken. No other day can be wasted before this joint, orchestrated, and endless process for better governance in sport organizations begins.

