

Governance is the system by which organisations are directed and managed. It influences how the objectives of the organisation are set and achieved, spells out the rules and procedures for making organisational decisions and determines the means of optimising and monitoring performance, including how risk is monitored and assessed.

It is commonly accepted that governance structures have a significant impact on the performance of sporting organisations. Poor governance has a variety of causes, including director/committee inexperience, conflicts of interest, failure to manage risk, inadequate or inappropriate financial controls, and generally poor internal business systems and reporting.

## **COMMITTEE OF MANAGEMENT AND SUB COMMITTEES**

Club structures need to be contemporary to promote and maintain sound governance and administration. Normally the club board/committee of management role is to govern and should not be involved in management or operational decision-making, but in the case of most clubs where they do not have paid personnel it is necessary they undertake both functions.

The trend today is for club structures to have smaller boards/committees of management with greater use of sub-committees for planning purposes. Generally, sub-committees should report to the board/committee of management monthly in preparation for the next board/committee of management meeting. The Associations Incorporation Act (Qld) requires a club to meet at least once every 4 months, but there is a clear preference for this to be done monthly.

## **Role of the club board/committee of management**

Main roles and tasks:

- ◆ Set objectives, define policy, develop strategic direction and make decisions
- ◆ Maintain good governance and introduce ethical standards into daily activities
- ◆ Specify the delegation of the chair, executive officer (whether paid or volunteer) and board
- ◆ Ensure the executive officer provides satisfactory leadership, planning, club control and succession
- ◆ Monitor the performance of management and volunteer team
- ◆ Monitor the performance of the club against the agreed goals
- ◆ Ensure current plans and actions provide for the clubs continuity
- ◆ Manage communication with members and other stakeholders including government, sponsors etc
- ◆ Manage risks
- ◆ Clearly identify board and management responsibilities
- ◆ Ensure compliance with policies, laws and regulations
- ◆ Emphasise and concentrate on long-term goals
- ◆ Undertake a regular review of the clubs finances.

## **The Role and function of the chair**

The main role of the Chair is leadership, ensuring effectiveness in all aspects of the governance role.

The chair manages meetings, ensures that the board is balanced and board discussion is open, and includes all directors. It is also the chair's responsibility to ensure that relevant issues are included in the agenda and that all directors receive timely information for meetings.

In summary, the chair should:

- ◆ Understand legal and procedural requirements for meetings
- ◆ Determine the meeting is properly convened and constituted
- ◆ Understand the business and objects of the meeting
- ◆ Preserve order in the conduct of those present
- ◆ Confine discussions within the scope of the meeting and timelines
- ◆ Decide whether proposed motions and amendments are in order
- ◆ Decide points of order and other incidental matters
- ◆ Handle all matters in an impartial manner
- ◆ Adjourn the meeting where justified.

## Board/committee of management size

How big should our club be? There are no hard and fast rules regarding board size but should be appropriate for the size of the club. Five is a good rule of thumb for small to medium sized clubs.

## Appointment and selection of board/committee of management members

For small clubs, term limits of two to three years is preferred to ensure the board maintains a level of consistency in decision making and stability and is held accountable for policy and strategy.

## Role of board/committee of management members

Board members must meet regularly, ideally monthly. As a rule, a club must provide its directors with sufficient freedom of action to exercise the leadership necessary to ensure successful implementation of strategy.

## Ethics and code of behaviour

Your club should consider developing a code of behaviour that defines acceptable standards of personal behaviour for your board/committee. You will find an example template code of behaviour at this link: <http://ma.org.au/index.php?id=120>

## Powers of the board/committee of management

In summary the role of the Board is to:

- ◆ set objectives and strategy
- ◆ apply culture and ethics into activities
- ◆ monitor the performance of key people
- ◆ monitor the performance of the Club against agreed goals
- ◆ ensure current plans and actions provide for continuity
- ◆ communicate with members and other stakeholders
- ◆ manage risk
- ◆ clearly state people's responsibilities
- ◆ comply with constitution, rules and the law.

It is important to note Section 60 of the Associations Incorporation Act (Qld) states:

“Subject to this Act, the business and operations of an incorporated association shall be controlled by a management committee”.

## Board/Committee of management composition

The board or committee should comprise of people with an appropriate range of skills. It is strongly recommended that clubs look to recruit people with specific skills for positions on the board or committee such as the treasurer. Generally, they should:

- ◆ have the ability to think laterally
- ◆ have good communication skills
- ◆ be financially literate
- ◆ be able to understand and relate to stakeholders
- ◆ be ethical, honest and trustworthy
- ◆ be a team player.

## Role and function of sub committees

Clubs have learnt that having a multitude of committees assigned to various tasks does not necessarily ensure that the job will get done. However, a properly performing committee can be an invaluable tool for the board/committee of management and the club.

“Best practice” committees are designed to relieve the board/committee of management of certain tasks and are developed to capitalise upon specialist skills of personnel willing to contribute their time and expertise to the club. Size of the committee can vary according to the club. A committee should be large enough to capture sufficient skills and experience, but not so large that the effectiveness of decision making is reduced.

Committees should not abrogate responsibilities or assume the role of management, but should have a charter (within By-Laws or Regulations) which specifically sets their scope of work, roles and responsibilities. The charter should clearly identify and state the dividing line between the role and responsibilities of the committee and those of management.

In terms of reporting, committees should be required to circulate minutes of each meeting to the Board/committee of management as required.

Members of the board/committee of management i.e. office bearer can be given title of Director, and if elected or appointed a portfolio, the title of that portfolio eg Director of Finance. The board/committee of management should not bind itself to out of date terminology such as treasurer or secretary. Ensure there is an independent chair.

### References

The Australian Sports Commission - Supporting Sport

# MEETING AGENDA

[Insert Name of Club/Clubs]

## COMMITTEE OF MANAGEMENT MEETING NOTICE

**Date:**

**Time:**

**Venue:**

### AGENDA

1. Welcome
2. Apologies
3. Confirmation of Minutes of previous Meeting
4. Matters arising from the Minutes
5. Inward and Outward Correspondence
6. Reports
  - i) President
  - ii) Financial
  - iii) Committee Reports in order of need for discussion
7. Special Projects
8. General Business
9. Closure and date of next meeting