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| **DOCUMENT TITLE**  | Why Good Governance?  |
| **LAST UPDATED**  | October 2022  |
| **PURPOSE**  | To provide content for communications related to recruitment of Board Directors.To act as a primer about what governance is and why it is important in the B.C. amateur sport environment.To provide key messages to members, volunteers, and potential Board/Committee candidates about why good governance is central to smooth operations and club/association success. |
| **HOW TO USE** | Use this template as a communication tool to build awareness of the need for good governance in sports organizations. The key messages within this document can also be used as a support to role postings that seek to recruit new Board members, setting the tone for a new Board of Directors, or using the key points as the foundation of strategic planning discussions.  |
| **ADDITIONAL NOTES / CONSIDERATIONS**This document provides an overview of good governance as it relates to the sport environment in British Columbia. This document is intended to create a foundational understanding and set appropriate expectations for any and all sport governing bodies, associations, local sport organizations and clubs across B.C.Wording within this document can be used to support communications related to board recruitment. Edit and adapt to maximize the message for your target audience. This document does not constitute legal advice and should not be relied upon as such. Expert counsel is recommended if there are any issues requiring clarification.  |
| *Remove this table from the document before revising and issuing for your organization.* |

# Why Good Governance?

## Definition of Governance

Governance refers to the structures, systems and practices an organization has in place to direct, control and hold an organization and its leadership accountable. This may include:

* assigning decision-making authorities, defining how decisions are to be made, and establishing the organization’s strategic direction;
* ensuring the achievement of strategic priorities; the implementation of its policies, plans, programs, and projects; and monitoring and mitigating key risks; and
* reporting on its performance in achieving intended results and using performance information to drive ongoing improvements, corrective actions, and priorities.[[1]](#footnote-1)

All these factors, including the organizational structure and roles and responsibilities of staff and volunteers, are central to good governance. These structures, systems and practices are intertwined with the culture of an organization and the attitudes and behaviours of the people who lead it. Whether your organization is a sport governing body with dozens of staff, or a local sport association made up exclusively of volunteers, governance is a means of ensuring the health and long-term success of the organization.

## Governance in sport organizations has a fundamental goal.

How can a sport organization be sustainable without good governance? The answer: it can’t. Good governance will help increase the quality of what you do for your members, participants, staff, volunteers, and a variety of other stakeholders. It is critical to protecting you as a board member and your organization from the inherent risks of operating in the Canadian sport environment – including misappropriation of funds, conflict of interest in decision making, inadequate response to complaints or safe sport issues.

The goal is excellent organizational performance – achieved through the effective and efficient delivery of programs and services, and compliance – achieved by meeting the requirements of the law, regulations, published standards and community expectations of moral/ethical standards, accountability, and transparency.

## Fundamental aspects of governance

***Maximizing accountability*** refers to the obligation of an individual, a group, or an organization to answer for a responsibility that has been assigned and the responsibility you as an organization must put the appropriate mechanisms in place to achieve this.

***Providing guidance*** is all about leadership and setting the “tone at the top.” The example the Board of Directors sets through words and actions plays a crucial role in encouraging your organization’s staff and volunteers to embrace good governance practices as well.

***Demonstrating integrity*** is acting in a way that is impartial, ethical, and in the public interest. Integrity is reflected in part through compliance with legislation, regulations, and policies, as well as through instilling of high standards of professionalism at all levels of your organization.

***Championing stewardship*** is the act of looking after resources on behalf of the public and is demonstrated by maintaining or improving your organization’s capacity to serve the public interest over time.

***Committing to transparency*** is achieved when decisions and actions are open, meaning that stakeholders, including the public, members, volunteers, and staff, have access to full, accurate, and clear information on organizational matters that affect them and the public they serve.[[2]](#endnote-1)

## Putting good governance into practice.

Good governance begins with the board of directors. The board's primary responsibility is to offer strong strategic leadership, clear direction, and attentive, effective oversight.

Board members should govern the organization in accordance with legal requirements, the terms of their own governing documents, and good governance practices and principles. Accessing additional resources for professional self-development in relation to good governance is also foundational.

Board members should be aware of and fully understand their legal responsibilities per the B.C. Societies Act (<https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/15018_01> ), particularly Part 5 containing Divisions 1-5 referring to Directors, Changes Respecting Directors, Role of Directors, Directors Conflict of Interest, and Directors’ Liability.

True good governance necessitates a strong organizational culture that is actually 'lived' by everyone involved - the board, officials, members, staff, and volunteers. As part of this healthy culture, board members must establish, adopt, and embody agreed-upon principles. Strategic planning, well-structured meetings, ongoing professional development, and a discerning recruitment process for board members and volunteers can be central to building a strong organizational culture.

1. <https://www.caaf-fcar.ca/en/oversight-concepts-and-context/what-is-oversight-and-how-does-it-relate-to-governance/what-is-governance>, Accessed:2022-06-15 [↑](#footnote-ref-1)
2. Modified from [Public Sector Governance: A Guide to the Principles of Good Practice](http://www.bcauditor.com/pubs/2008/report13/public-sector-governance-guide-principles-good-practice), Office of the Auditor General of British Columbia. <https://www.bcauditor.com/pubs/2008/report13/public-sector-governance-guide-principles-good-practice> [↑](#endnote-ref-1)