



FairPlay Enterprises Ltd

British Parachute Association Governance Consultation Report

1. Background and Context

In February 2014 the British Parachute Association (BPA) contacted FairPlay Enterprises Ltd to discuss a governance project which would explore and interpret matters of BPA governance. This included issues around the roles and responsibilities of staff and Council members, which were highlighted via a case study, and questions raised in respect of decision making, representation and communication.

The case study was developed by staff members however they were keen to state that there was a lot about the BPA that worked well, particularly on the safety side, and that they were proud to work for the organisation. The impression throughout has been that BPA representatives, whether staff or Directors, were committed to improvement through an open process and did not wish to create division in any way.

The BPA sought an independent review and objective comment on its governance and, after discussions on the nature of the project, appointed FairPlay Enterprises Ltd. It was agreed the review would be framed against the ***Voluntary Code of Good Governance for the Sport and Recreation Sector*** to which BPA Council has already committed, but is not satisfied that it yet has everything in place formally to sign up.

2. Purpose of the Report

The purpose of this report is to provide the Association with a summary of the responses received through the consultation and recommendations for the BPA Council to consider. These are based on:

- Interview responses
- written returns following each interview
- documentation supplied by staff and Directors, including correspondence
- benchmarking and comparisons with similar sports organisations
- considerations of the relevant Principles contained in the ***Voluntary Code of Good Governance***

The report concludes with options and recommendations for action which Council can consider.

3. Consultation Methodology

The primary outputs for the project were the development of a questionnaire which would be used to interview four Council members and three members of staff. Interviews were undertaken with three groups in Peterlee, Leicester and London.

Interviewees were invited to consider the questionnaire in advance and, as well as notes taken at the interview, they could add to these with written responses submitted by email. The responses have been collated to form the basis of the report and were considered alongside additional documentation.

4. Consultation Responses

A summary of the responses to each question has been included. This does not include all verbatim comments but does capture the breadth of views and, where appropriate includes quoted replies.

Also set out in this report is a commentary on the outcomes of the consultation which Council will need to consider alongside the recommendations.

5. Questionnaire responses

A. ABOUT YOU

Length of time in role

Of the seven people interviewed, four were Council members including the Chair and Vice Chair, and three were members of staff. Interviewees had served between six months and 33 years with most employed or volunteering (at Committee and Council levels) for over four years. All interviewees were male.

By what route were you appointed / recruited into your current position?

Staff had each responded to an advert and were recruited following an application and interview. Council members were nominated by fellow BPA members and, having gone through a campaign process, were elected by the BPA membership at the annual meeting. Directors serve only one year before standing for re-election or stepping down. The brevity of tenure was raised by many as an issue in part because new Council members may only just be developing their understanding of their role before standing again with the possibility of being removed from Council. One respondent commented:

“it is a totally unacceptable risk that all 15 Council members are re-elected or could stand down each year”

Issues of term length and limits on terms are raised and addressed within this report.

What skills, training or experience did you have to prepare you for this role?

Although some Council members had served on committees within the BPA or elsewhere including the military, only two people had relevant experience as a Director or Trustee of a company or charity. This may, or may not, reflect the majority of Council members' skills or experience, but if it is the case it is matter for consideration as the Council could be exposed through a lack of company Director skills and experience which are vital to run the business. As one respondent stated *“you get what you get”*, which underlines the relatively narrow base from which the Council is formed. Others replied:

“no formal training however I have been a member of BPA since 19xx”

“in terms of business skills, we pick these up but there is no formal training”

“There is some outside directorship experience on Council but the experience base is largely that gained on Council”

Knowledge of the sport is clearly a strength across staff and Council, however it became apparent that dedicated Director training is needed to address the gaps in skills and knowledge.

A skills audit has been carried out and this reinforces the wealth of parachuting knowledge, with some managerial, Board and strategic skills also listed. This is a helpful start to building the ideal structure for the Council, and the Association may want to revisit this in the event Council structure is reviewed and changed. A focus on Director / Board / business skills might be helpful at this point with a proportionate level of attention paid to parachuting knowledge and qualifications.

Staff and Directors have undertaken the Belbin Team Roles process and this is helpful in defining individual behavioural strengths. Belbin can help team members (be they staff or Directors) work together more effectively as individuals better understand one another the reasons for particular behaviours.

Staff brought relevant skills to their roles including extensive experience in membership organisations and a deep understanding of sport parachuting, especially safety. In one case, the role has changed considerably over the years and Council may need to consider how each person is supported and managed through significant change for the Association which can affect their job role.

Voluntary Code Principle 1 - Integrity: Acting as Guardians of the Sport, Recreation, Activity or Area

No reference was made to an induction process although it is understood that Martin Shuttleworth, Secretary-General, provides an indication for all new Council members before their first meeting.

What, if anything have you learned about being a company Director since joining the Council?

Replies included:

“it’s a well-meaning amateur organisation”

“Nothing. I’ve learned from elsewhere”

“I’ve learned about responsibilities of a Director, for example people and management skills as well as an appreciation of how businesses operate”

“nothing’s ever straightforward...there are those who use the role to exercise a personal agenda...there is far too much manipulation behind the scenes”

Overall, when aligned with the question about skills, training and experience in preparation for the role, there appears to be limited added value for Directors once they have joined Council. This reinforces the need for structured Director training and also raises issues about the culture of Council, in particular meetings and how matters are raised, discussed and decided.

If there is a *sense* of manipulation, even if this is not actually the case, Council may want to revisit meeting protocols to ensure transparency from the point at which a meeting date is set, to the minutes being signed off. Included here should be consideration of the matters brought to Council (strategic emphasis), limits of authority (reviewed in more depth later in this report), and the need for Council to delegate authority without interference, i.e. Council should accept that there will be a lot of activity which is not all brought to Council.

How much time per month do you dedicate to this role?

Whilst the Chair may spend up to 60 hours per month, most Directors dedicated approximately 30 hours. This falls into normal parameters for a voluntary Director as compared with other sports. Staff were keen to acknowledge the support and commitment of volunteers:

“The enormous time commitment and support from the Chair, Vice Chair and Committee Chairs in particular is recognised and respected by staff”

On what activities is this time spent?

Replies to this question did not present any surprises as respondents listed correspondence, preparing for Council meetings, staying abreast of BPA and stakeholder activities, preparation of papers and email discussions. This last suggested that some Council decisions are made in between meetings which is not uncommon and should be provided for in the governing document.

As with any Council meeting, it is important that staff provide essential information that will inform (and may also recommend options or actions), whilst Directors ask salient questions leading to a decision in which all Directors participate and support (regardless of any vote). That Directors are fully conversant with the papers prior to the meeting is an expectation for any Council or Board role as this ensures best use of time at the meeting itself.

Several staff and Council members raised the issue of Council meetings which “*drag on*” and that matters previously decided upon were often raised at later meetings to be challenged and reviewed. Such behaviour can lead to inefficiency – poor use of Council meeting time; as well as division after a single decision has been made; and frustration particularly by staff members whose day to day work is informed and driven by such decisions.

One respondent mentioned the “*tight, business-like meetings of the Safety & Training Committee (STC)*”, comprising Club Chief Instructors from Affiliated Clubs and this was cited as an in-house example of good practice. This might be a good starting point to consider the ways in which Council meetings can be more effective and efficient.

Elsewhere, most sports Board meetings last no longer than 3 hours with clear agendas focusing on strategic matters only, leaving operational detail to staff. Many sports utilise technology such as Skype to ensure all Directors can participate even if they cannot attend in person. Papers are submitted by a deadline and no further information should be presented at Council meetings as this can slow the decision making process, derail discussions, and falls short of good governance. The suggestion regarding meeting protocols may help address inconsistencies.

Furthermore, if Council is focusing on strategy, there should be no need for additional papers to be tabled as the agenda reflects the strategy and all papers should be prepared on

this basis. Tabling papers also adds to the frustration of staff who spend a considerable amount of time preparing for Council meetings and Directors who feel meetings can be “hijacked” by late items and papers. Late additions and revisiting decisions appear to add unnecessary time to each meeting and the BPA will want to review its meeting protocols to create more focused, strategic and efficient decision making at Council.

B. THE ROLES OF THE BPA COUNCIL MEMBERS AND STAFF

In your view, what is BPA’s primary role or core purpose?

Replies included:

“to promote and facilitate sport parachuting. It is NOT there to govern or rule the skydiving industry”

“to promote and facilitate participation in sport parachuting, to ensure facility for continuation and sporting competition, to regulate where necessary taking into account safety and fairness”

“setting the direction of the sport, enabling sport parachuting to continue”

“safety”

“supply safe parachuting”

“provide a safe sport (working closely with the CAA)”

“to safely run and promote the sport to our members and the general public”

Answers varied sufficiently to be of interest. All senior staff and Directors should be able to quote the main aim, purpose or goal of the national governing body. The published purpose states:

We are a democratic, not-for-profit organisation of individuals whose purpose is to organise, govern and further the advancement of Sport Parachuting (skydiving) in the UK
(BPA website)

By way of comparison, the British Canoe Union is "helping and Inspiring people to go canoeing".

Whilst the BPA doesn’t need a strap line, its core purpose should be simple and reference its main activities. BPA is the national governing body recognised domestically and internationally so it has the mandate to lead and run sport parachuting in Britain. Partners and stakeholders are essential to ensure the sport is effectively delivered at every level, but no other body can achieve recognition for the same purpose unless the BPA is de-recognised (there is no current process for de-recognition). All Directors should be aware of and be able to articulate this to members, stakeholders or individuals who may have no knowledge of the BPA.

Aside from members, who are BPA’s most important stakeholders?

Most respondents listed Drop Zone Operators; other stakeholders mentioned were the Civil Aviation Authority, European Aviation Safety Agency, insurers, insurance brokers and pilots.

One person added staff to this list and mentioned that roles had changed in recent years. This appeared to cause concern in respect of limits of authority set for senior executives. With job descriptions having been produced for senior staff, this concern should have been addressed however there still seems to be a need to clarify the operational purpose of staff roles.

What do you believe are the primary functions of the Council (whole group)? Please select from the list below and rank these where 1 is the most important. (Frequency of scores are listed below):

Function	Level of Importance (Rank)
Set the vision, mission and strategy for BPA	Six ranked 1 One ranked 2
Create divisions of responsibility for the Council, sub-committees and staff	Two ranked 5 Three ranked 4 Two ranked 3
Develop and actively implement conflict of interest policies and procedures	One ranked 9 One ranked 8 One ranked 6 Two ranked 5 One ranked 4 One ranked 3
Appoint and be responsible for the welfare of senior staff	One ranked 8 One ranked 7 Two ranked 6 Two ranked 5 One ranked 3
Put in place codes of conduct and terms of engagement for the Council and sub-committees	Two ranked 8 One ranked 5 Two ranked 4 Two ranked 3
Review the performance of the Chair each year	One ranked 9 Two ranked 8 One ranked 7 Three ranked 6

Undertake a Council performance evaluation each year	One ranked 8 Five ranked 7 One ranked 6
Exercise effective control of the organisation including the management of organisational or business risk	One ranked 1 Four ranked 2 One ranked 3
Other, please specify	Develop the sport (one ranked 2)

There is significant commonality of views in respect of the importance placed on Council's responsibilities relating to vision, mission and strategy; undertaking a performance evaluation and exercising effective control.

Despite the fact that all respondents felt the development of vision, mission and strategy was a priority, there is currently no BPA strategy in place with one respondent stating "I've not seen one". There are sub-committee action plans and a "Pursuit of Excellence" corporate plan, however there is no single vision, mission or set of strategic goals which define the Association's priorities and provide Council with direction and reporting framework. This should be addressed as a priority with a clear project plan enabling consultation, drafting and communication of the long-term strategy.

Divergence of views was most visible in respect of conflict of interest policies and the appointment and welfare of senior staff. The responses to conflict of interest probably demonstrated personal views and experiences. Where some interviewees felt that the policy had only been in place for 18 months and the organisation was "progressing reasonably well" whereas others stated "as far as I can tell some people believe it does not apply to them".

The conflict of interest policy and its implementation are reviewed later in this report.

In respect of the appointment and welfare of senior staff, it is common practice for at least one Director along with the Chair to be directly involved in the appointment of the most senior members of staff, including in the interview process. This would be under delegated authority from the Council and, once in post, the most senior executive (CEO, COO, Senior Manager) is line managed by the Chair. Directors would not normally have the authority to instruct senior staff directly in between meetings as actions flow from Council meetings or through the Chair.

On a scale of 1-10 where 1 is low and 10 is high, please rate the level of effectiveness currently being demonstrated *in practice* by BPA against each of these:

Function	BPA Effectiveness (Rate 1-10)
Set the vision, mission and strategy for BPA	Two rated 8 Two rated 7

	Two rated 5 One rated 1
Create divisions of responsibility for the Council, sub-committees and staff	One rated 9 One rated 8 Three rated 7 Two rated 3
Develop and actively implement conflict of interest policies and procedures	Two rated 8 Two rated 7 Two rated 6 One rated 5
Appoint and be responsible for the welfare of senior staff	Two rated 9 Two rated 8 One rated 5 One rated 2 One rated appointment 4 but welfare 9
Put in place codes of conduct and terms of engagement for the Council	On rated 7 One rated 6 Two rated 5 One rated 4 One rated put in place 7 but adherence 4
Review the performance of the Chair each year	One rated 6 One rated 5 One rated 4 One rated 2 Three rated 1
Undertake a Council performance evaluation each year	One rated 7 Two rated 5 One rated 2 Three rated 1
Exercise effective control of the organisation including the management of risk	Two rated 8 Two rated 7 One rated 6

	One rated 4 One rated 2
Other, please specify	Retention of members (one rated 8)

These scores represent respondents' perception of the BPA's effectiveness in each area. Further analysis showed that scores did not reflect two distinct groups, i.e. both staff and Directors scored high and low for each area which suggests there is no factional division.

It is difficult to draw simple conclusions from these ratings as they are so diverse, however it is worth noting that the Chair and Council performance reviews were generally thought not to exist other than simply being re-elected. Measuring the performance of the Chair, Council (as a team) and individual Directors is now deemed common practice across sports Boards most of which are populated with voluntary Directors. The rationale is simply that each role carries great responsibility and an annual election does not provide the necessary evidence to show each person's competencies are being effectively deployed. By undertaking these review and evaluation processes it also send clear messages to members and stakeholders that the Association is committed to continuous improvement. Council would be well advised to explore further the ways in which performance management can positively contribute to its pursuit of excellence.

The setting of vision, mission and strategy were prioritised in the first table however judging by the second round of responses relating to effectiveness, this is not a matter that has been fully addressed. Each Director is wholly and severally liable for the decisions taken by Council so, whilst there is no organisational strategy, some decisions will be taken in a goal/evidence vacuum which exposes the Council and each Director to risk. It also provides a space for interest groups or factions to raise non-strategic or less relevant items as there is no framework against which they are assessed to then be included or rejected at meetings.

The separation of scores for the recruitment and welfare of staff suggests that recruitment processes may not be as robust as some would like however staff are generally respected and looked after. This is a view shared by staff members themselves. Again, a review of performance management which starts with a skills audit, through recruitment to appointment and then work plans and appraisals, will create a much more dynamic environment in which people can give their best to the Association.

Conflict of interest again provides food for thought with significantly different perceptions.

Are you familiar with the legal duties of a Company Director as listed in the Companies Act 2006?

One respondent stated that:

"recommendations are made by experts but Council members draw out discussions without any expert knowledge on the subject"

This particular position was highlighted with an example of a Director with specialist financial skills but who has to fight to interject on technical financial matters.

(Most) *“BPA Council members are lay Directors...and there is a lack of respect for their expertise”* (Directors with specialist knowledge)

Similarly, but in relation to a sub-committee:

“the Communications Committee is populated by Directors who are not communications specialists”

One respondent said he had *“some familiarity”* whilst another stated he is reasonably familiar with the Charities Act which, although different to the Companies Act, demonstrates an understanding of the ways in which legislation impacts on legal entities. Also, whilst Trustees and Directors are different, they share a number of similar duties, responsibilities and areas of accountability.

Although one person had taken time to submit a list of duties in a written response to this question, overall it is not clear that all Directors are fully aware of their legal duties. Training to address this should be prioritised for all Directors and senior executives.

By including senior staff, any misconceptions around roles and responsibilities would certainly become clearer. This would also help underline the functions and priorities of Directors most of which are not related to the sport itself.

An issue that arose frequently was that of members, who are not Directors or senior staff, being allowed to attend any meeting. This is an unusual practice and one which the BPA may want to revisit. The reasons for this are:

- by allowing open access, any member can act as a Director at Council meetings by raising items, preparing information and being involved in the discussion. This could lead to them being defined as de facto Directors which is likely to be an unintended consequence and one which brings grave risks to the individual (who may not realise they are acting in such a role) and to the Council (which may find itself acting against its own duties and rules by accepting and acting on a member proposal not brought through normal business process). Do members declare any interests prior to these discussions? Are they familiar with their duties and the legal implications of these on the individual?
- Directors are elected by the membership to undertake their duties on Council as set out in the Companies Act 2006 and under the BPA’s Articles Association. By bringing items individually to Council members are, in effect, circumventing the democratic process agreed by the membership. Furthermore it undermines the electoral process as well as the individual Directors themselves.
- Members are not without a means of communicating with Council. The BPA has set out the route by which individuals can serve and actively engage with Council – via elections, or raise matters of strategic importance and interest to members – at AGMs and EGMs. This is common practice with additional vehicles such as regional groups, discipline committees or even sub-committees available in some cases. Clarity on the two way member-Council communication channels could be reviewed.
- Individual interests and items not set out in the strategic plan will distract Council from its core function, potentially divert time and resources at meetings which are already deemed too long, and could lead to discussions on matters that may not be aligned with strategic goals.

This is a matter of concern to some of the respondents and one interviewee commented that *“this is a latent time bomb and is the opposite of good governance”*.

Can you describe any functions or examples at Council meetings of this happening in practice?

The previous question was a closed question seeking only yes/no answers. This question should have garnered significantly more detail but in reality not many of the respondents were able to provide much detail. One person replied:

“not off the top of my head – which doesn’t mean functions/examples don’t happen”

Whilst this might not generate too much concern, one would expect Director duties enacted at every meeting simply by reading the agenda items themselves, e.g. progress against strategy, risk management, financial management report/setting budgets etc.

Another interviewee did provide more detail;

“meetings are held on a regular basis...are minuted. Company business and accounts are recorded and published to the membership”

Comments on Council conduct were raised here and include:

“BPA Directors lack focus”

“individual members have a passion and steer the ship in their favour”

“I would like to see Council working as a team – there is lack of unity of purpose. It seems like 15 people and 15 different platforms all coming onto Council on their own tickets.”

The development of a coherent strategy would probably address some of these perceptions by bringing Directors together as a team focusing on a small number of strategic goals. This would prevent interest group issues to be raised unless linked to the strategic goals.

It seems an observer to one Council meeting was surprised and disappointed by the unprofessional behaviour of some Council members at that meeting. Whilst this is a subjective view, it warrants attention as the reputation of Council and Directors with members and/or stakeholders may be negatively affected.

It would have been good to hear from staff and Directors about the ways in which legal, business and fiduciary duties are undertaken on a regular basis. It may well be that this is happening but that the evidence through this process is a little limited.

What do you believe to be the role of Council members?

Responses included:

“make an effective contribution to the running of the Association so promoting the success but to be seen to be doing it fairly”

“providing their expertise when possible, otherwise providing sound judgement and decision making furthering sport parachuting”

“a Council member should conduct Council business with full disclosure, complete openness and transparency for the good and benefit of the sport and the membership as a whole”

Other responses listed governance, policy and the scrutiny of senior staff:

“they make policy decisions and let us get on with implementing them”

“we want a system of good governance that cannot be manipulated”

Roles and duties do not appear to be fully understood, for example anecdotally, one Council member was heard stating *“I can table anything I like”* which was countered by a respondent to this interview saying:

“some Directors believe they’ve been voted in and have a mandate to do whatever they like”.

Once again the issue of roles, responsibilities, duties and expectations are captured here and the sport’s leadership will need to consider how to inform, educate and manage these expectations in future, training being the starting point.

Another role listed for Directors included *“making policy, not constantly asking questions, revisiting decisions”* and *“set strategy”*.

What do you believe to be the role of staff?

It was generally agreed that staff provide operational support to Council and committees as well as the day to day running of the Association. They should also advise and facilitate. Put succinctly, one respondent said the staff should *“run the Association in accordance with the policy of Council”*.

With a focus on operational (secretariat) matters, one example where process was potentially breaking down was the document management project. This appears to have been commissioned by Council but did not involve the Secretary although it is an operational matter and one for the Secretary to oversee. Not all details are captured here, but it was deemed sufficiently important for it to be raised in the interview.

One person commented that the staff *“are professional administrators and ... need professional Directors but ... are being let down”*.

Again, the issue of roles and responsibilities arises with some Council activities appearing to be too operational, and staff wanting Directors to take a more professional approach to Directorial duties (I understand this to mean areas other than parachuting on which Council members are most certainly experts). Training will be vital to help improve skills and perceptions of the Council.

A Director responded with *“the staff should conduct their business in supporting Council for the good and benefit of the sport and the membership as a whole, with full disclosure, complete openness and transparency”*.

This last is worth commenting on as, in principle there should of course be openness and transparency. However full disclosure which leads to an excessive amount of detail, data that are legally protected or information not relevant at Council level, might again drag Directors into unnecessary minutiae and slow decision making, or even breach data protection legislation.

What performance management or evaluation processes are currently in place?

The Belbin process has raised awareness and helped explain the behaviours of staff and Directors. This in turn can help develop team cohesion as each person understands others and the ways in which they behave.

Performance management is slightly different in that it aims to measure the performance or impact of a group or individual against clearly defined objectives or goals. For example the Council could review its own performance against the strategy once in place. Work plans or Personal Development Plans are commonly used in sport for staff members. These help direct and prioritise work programmes and make it easy for line managers to discuss an individual's progress and contribution based on the objectives agreed at the outset.

Apart from senior staff job descriptions, there are currently no mechanisms by which the BPA sets, measures and evaluates its performance. Re-election alone does not equate to performance management as members do not have access to any evidence of effective performance in order to make those decisions. One interviewee described elections as "*a popularity contest*" as each individual was required to publish a limited word statement for members to read.

Another mentioned after-action reviews which, if integrated into a Council evaluation would allow for reflection and encourage ongoing improvement. The Chair has invited Directors to an annual review but few take this up which suggests either a lack of understanding of the benefits and / or a need to establish a more systematic approach.

Once the strategy is in place, these should follow. NB individual performance evaluations should not be shared beyond the individual and his/her line manager.

Are these performance evaluation processes appropriate or would you recommend any changes?

One respondent commented that "*it's tricky evaluating volunteers but we should*".

This was a commonly held view of many other sports until it became apparent that Directors are not just volunteers but unpaid professionals with significant authority, responsibility and liability. With this in mind, it would be prudent of the BPA to consider how evaluations can be considered and potentially aligned with the skills audit and strategy. As one respondent suggested

"they need beefing up against objective criteria set out in election / appointment"

C. OVERSEEING INTEGRITY AND CONFLICTS

Are you aware of any limits of authority placed on Council, the Chair and senior staff?

One respondent stated that quantifiable financial limits have been set however there is no guiding policy or rules:

"not sure they're written. If it's important to Council, we can't do it"

On recruitment another said "*some on Council are uncomfortable with delegation*"

However most people agreed that there are known limits for staff, Directors and Chair yet, occasionally these lines can become blurred when Directors get closely involved in lower level decisions or activities.

What is your understanding of Council members acting independently?

The way in which this question was presented may not have been very helpful in that, although it was intended to mean use of independent judgement, it might have come across as acting without BPA authority. As a result it generated responses that reject acting independently as inappropriate.

Does the BPA have a conflict of interest policy? In your view, is this actively and effectively managed?

This question drew a variety of responses, many of which raised issues around the way in which the policy is implemented. For example, one respondent stated:

“some members may stand for Council primarily to pursue their passion for a particular skydiving discipline, and to get money for it through their serving on the Competitions Committee”

“as far as I can tell some people believe it does not apply to them”

“everyone has an interest in sport parachuting otherwise they wouldn’t be members. They don’t seem to believe in collective responsibility. Some have an argument, make a decision, go on social media and voice a personal opinion – on Council but anti-Council”

Whilst very often conflict of interest is mostly perceived conflict of interest rather than actual, several examples were referenced during the interviews and the case study itself was discussed. Many individuals felt that the election process contributed to the situation, i.e. members with a passion for sport parachuting and probably a specific interest in one discipline, group etc. This led to a conflict of loyalty often in sports Boards where nomination and election by their very nature lead to a sense of representation or loyalty. This is human nature! Clearly defined role descriptions for Directors and the recruitment of independent Directors, who are not from parachuting, have proved to be highly effective in managing perceived and real conflicts in many other sports. This is a step BPA should consider seriously.

Could this be improved in any way?

One suggested taking external advice:

“a difficulty is the small, close-knit community of sport parachuting”

Another stated that everyone should stick to it and sanctions applied to those who don’t.

Overall, the conflict of interest policy has been well received but there remains some concern at its implementation. In order to allay fears about conflict, Council may want to revisit its current policy (already 18 months old) and strengthen this to ensure there is no room for misunderstanding. In addition, it should be applied consistently to avoid the perception of conflict, i.e. an individual with a declared interest must leave the room for the discussion and decision regardless of his or her level of technical knowledge or experience in the item. All information on matters discussed at Council should be contained in the papers presented and this can be gathered from known sources, including experts, which would

reduce the need for lengthy discussions. Independent members will bring a balance of views as they are wholly and objectively focused on the BPA without any other parachuting connections.

Other corporate governance and Council related matters raised by respondents

As well as structures, strategy, roles and responsibilities, policies and procedures, respondents were invited to list any other areas of governance they felt were important:

- Meeting protocols, e.g. calling meetings, adding items to the agenda and voting procedures
- Establishment of a small executive board that does not include staff, along with a volunteer Council which itself includes DZ owners
- Introduction of principles of full disclosure
- Long- term planning – how do we change as an organisation?
- To what extent are safety auditors independent? The appointment and confirmation of auditors may need reviewing
- Communication of Council decisions to members
- Appointment of senior staff and changes in role

6. Conclusions

There were strong views expressed here and each person interviewed must be commended for his honesty. Whilst this might not make for easy reading, Council should welcome the fact that respondents were able to openly voice their opinions as, without this, the BPA might continue to operate without fully understanding the nature of the issues and taking positive action to improve systems, culture and the environment within which staff and Directors operate.

That said, staff felt it important to add that their comments are:

“set against the hugely positive aspects of the BPA and the fantastic sport it serves, including BPA’s strong financial base achieved through sustained prudence and good housekeeping over the years - that some kindred NGBs might give their eye teeth for - and BPA’s membership, including the silent, largely content, majority”.

Directors independently commented that they deeply valued the work and commitment of staff, and recognised the level of expertise and support provided to Council.

Having reviewed all the oral and written responses, the issue of roles and responsibilities is at the heart of BPA’s current situation and a sense of dysfunctionality has appeared due to misconceptions, differing expectations and inconsistencies of approach. And yet, through it all, each person interviewed has wholly dedicated himself to the promotion and effective delivery of the sport. There is no shortage of passion and desire to serve the BPA well but, in a rapidly changing world, it is time to consider modernising the Association for long-term and wider benefit.

Specifically, it is time for the Association to invest in itself, something many sports have struggled with in recent years. Developing people’s skills and understanding will not happen through interest or optional engagement alone. If the BPA wants the best available expertise, skills and knowledge at the heart of the organisation, it must be prepared to dedicate resources to this process including learning, training and support.

Appetite for change – from the conversations I’ve had my impression is that the BPA (as represented by this group) is ready to discuss change in terms of structure and systems. As one person said:

“it’s a small sport, everyone seems to know each other...but structures from the 60s are insufficient to deal with the demands, especially from Drop Zone operators”

7. Recommendations

Set out below are three options for consideration. Each contains a list of actions (where action is required) and also the risks associated with each option.

Option 1 – do nothing

Option 1 risks:

- perception of the Association as a close knit, club-like body will prevail with the possibility that members and stakeholders will perceive its leadership as failing to modernise whilst so many other sports bodies are evolving into 21st century enterprises
- issues and disputes highlighted by the lack of clarity on role of Council, Directors and staff will continue potentially leading to disaffection, individuals choosing to leave (whatever their role) and with them their skills and knowledge
- lack of strategy will lead to inefficiency as staff and Council operate to different priorities and plans (an aggregate of lower level sub-committee plans does not equate to a single strategy)
- inefficient meetings which lead to ineffective decision making as Council meetings are drawn into operational matters, individual interests
- Directors’ professional development is curtailed as training opportunities are missed and individuals are unable to grow their skills as a Council member

Option 2 – radical reform

- Revise the structure and name of the highest decision making body – a main Board of 10-12 Directors
- Set terms of office of 3-4 years and limits on terms, e.g. 3x3 or 2x4
- Undertake a skills audit which looks at the competencies, qualifications and knowledge each Director brings, e.g. legal, financial, equality, public relations, independent business skills
- Create a list of the skills needed to run the company including all the business skills as well as parachuting knowledge
- Balance the skills on the Board by openly recruiting independent members from outside of sport parachuting. These would be skills based appointments through open advert and interview
- Create a person specification for all Directors, whether independently recruited or elected, which sets out the skills, experience and knowledge needed to function effectively as a BPA Director
- Develop a long-term strategy for the Association which considers matters such as membership development, commercial development including possible commercial partnerships, stakeholder management and corporate development. The strategy will also include technical sport elements such as elite / high performance, coaching, participation and safety.
- Director training – consider either a rolling programme of training where all Board members attend Institute of Directors / Sport and Recreation Alliance training or alternatively arrange a bespoke session for the whole Board at one time
- Board evaluation – once the skills audit and terms of office have been put in place, establish the process by which the Board can evaluate its own performance in setting and leading the delivery of the strategy. This can be led internally by the Chair or externally by an independent professional
- Chair and Director evaluations – further to the team (Board) evaluation, establish the process by which the Chair and each Director receives feedback. This should not be an optional process as it should be expected of every individual on appointment to the Board they s/he is committed to continuous improvement and professional development
- Staff roles and job descriptions – continue to roll out job descriptions as these protect each member of staff and the Association itself. Clarity over functions, limits of authority, line management and key delivery targets are as relevant for small organisations as well as large ones. If the BPA adopts these recommendations, there may be changes to the way day to day work is undertaken. Job descriptions do not have to be lengthy or complex to provide direction and clarity
- Policies and procedures – review essential policies such as conflict of interest every two years.

Option 2 risks:

- Membership and some Council members may fail to support change which will leave the Association static and still potentially managing the same risks of doing nothing
- If change is initiated too quickly it can lead to loss of support and disaffection internally and reputational damage externally
- If there is no clear plan, the way in which change is managed will become confused leading to missed deadlines, inefficiency and disillusionment with BPA leadership
- The changes, if initiated, may not suit all current Directors or staff leading to potential loss of knowledge. The changes are designed to enhance not lose skills, however some individuals may choose to leave the Association

Option 3 – basic reform

This option, in practice simply means prioritising some of the recommendations in option 1.

- Board structure – as above
- Terms of office and limits on terms – as above
- Develop a strategy for the Association – as above
- Director training – as above
- Policies and procedures – as above

Option 3 risks:

- Some change is initiated and has the desired impact but frustrations remain as the lack of a skills audit means a competency based Board cannot be put in place due to lack of evidence
- Without performance reviews, it will not be possible to measure the impact of the changes effectively. Knowing where improvements are being felt is important, for example a smaller, more efficient Board; as well as understanding where development can be targeted, for example training for Directors where this might be beneficial for the individual and ultimately the Board

“For 30 odd years it worked but for the last 10 years it’s changed. We’re now in a situation where change is essential”

7. The Voluntary Code of Good Governance

The Voluntary Code provides the ideal framework for the BPA to consult, plan and implement a change programme. It is a tried and tested model designed to meet global standards of good governance yet tailored to recognise the unique nature of sports bodies.

Rather than copying text from the Code itself, the link below leads to the document. Principles 2, 3, 4, 5 and 6 are the ones recommended for consideration alongside the conclusions and recommendations set out above.

[The Voluntary Code of Good Governance for the Sport and Recreation Sector](#)

The Principles which the BPA should prioritise in its planning are:

Principle 2: Defining and Evaluating the Role of the Board

The Board needs to understand and evaluate the role it plays and the way it can contribute to the organisation.

Principle 3: Delivery of Vision, Mission and Purpose

The Board should set the high level strategy and vision of the organisation and ensure that it is followed without becoming involved in the operational delivery.

Principle 4: Objectivity: Balanced, Inclusive and Skilled Board

The Board should be made up of individuals with the right balance of skills and experience to meet the needs of the organisation. Included in this is a need for independent expertise and for representation of the diversity of the sport and the communities it serves.

Principle 5: Standards, Systems and Controls

The Board needs to be conscious of the standards it should operate to, and its role in exercising appropriate and effective control over the organisation.

Principle 6: Accountability and Transparency

The Board needs to be open and accountable to its membership and participants and its actions should stand up to scrutiny when reasonably questioned.

The BPA can choose to develop and implement its improvement plan internally utilising the resources available. The Association can also consider independent support and FairPlay Enterprises Ltd would be available to provide this if the BPA chose this option.

Amanda Bennett

FairPlay Enterprises Ltd

30 July 2014