

BINDURA UNIVERSITY OF SCIENCE EDUCATION  
FACULTY OF SCIENCE AND ENGINEERING  
DEPARTMENT: SPORTS SCIENCE  
MASTER OF SCIENCE DEGREE IN SPORTS SCIENCE  
SM 504 CORPORATE GOVERNANCE FOR SPORTS MANAGERS

DURATION: 3 HOURS  
(Plus 15 Minutes for case reading)

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

Section A is compulsory.

Answer three questions from Section B.

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Section A

1. Read the following case and do the task that follows

**Govt says Tonga Sports Association is bankrupt**

The Tonga Amateur Sports Association and National Olympic Committee are bankrupt, according to the country's Prime Minister, 'Akilisi Pohiva. Radio Tonga reports that Mr Pohiva told the national parliament the government had lost faith in the operations of TASANOC, because it has no money and is unable to function properly. He said the association is unable to pay off its electric and water bills or any of its debts. The Prime Minister also claimed TASANOC failed to report to international organisations on how they manage and use the funds allocated from international sporting committees. The Minister of Internal Affairs and Sport, Fe'ao Vakata, told the house, that staff within TASANOC alerted the government to the issue. But the Oceania National Olympic Committee rejected claims that TASANOC is bankrupt. The Oceania National Olympic Committee's Secretary General, Ricardo Blas, was in Nuku'alofa as one of the observers during the Emergency General Meeting of TASANOC on Thursday. He told Radio Tonga that any member of the Committee will never be bankrupted, because they operate under the wing of the International Olympic Committee, who provides funding for all operations of its member countries.

Copyright © 2016, Radio New Zealand (<https://www.rnz.co.nz/international/pacific-news/295884/govt-says-tonga-sports-association-is-bankrupt>)

### Task:

You have been roped in as a consultant to rescue the Tonga Sports Association from its financial predicament.

- a. Discuss the possible weaknesses that led to the financial predicament of the Tonga Sports Association (20 marks)
- b. Make recommendations to the Tonga Sports Association Board that should put them back on track in financial management to avoid bankruptcy in the future (20 marks)

### Section B.

2. Former Chairman of the Board of General Motors John G. Smale wrote in 1995: "The board is responsible for the successful perpetuation of the corporation. That responsibility cannot be relegated to management." From Wikipedia, the free encyclopedia

As an expert in corporate governance in sports you have been roped in as a consultant in the selection of a board for a sports organisation.

### Task:

Prepare a paper of advice on how the board is selected, the board members, and their responsibilities. (20 marks)

3. In Corporate governance in sports management of volunteers is a very important activity.

Task: Prepare a presentation on how volunteers should be managed in athletics (20 marks).

4. You have been appointed the president of a sports association that has been performing below expectations due to corporate governance-related failures.

### Task:

Prepare a paper to present at a consultative meeting justifying the principles of good corporate governance that should be upheld in the association. (20 marks)

5. Corporate governance mechanisms and controls are designed to reduce the inefficiencies that arise from moral hazard and adverse selection. There are both internal monitoring systems and external monitoring systems.

**Task:**

Prepare a presentation on how you would employ external corporate governance mechanisms in a sports organization of your choice. (20 marks)

6. "An effective board is the fulcrum of good governance..." (Ross, 2022). This quote shows that building effective boards is quite critical in sports management.

You have been roped in to put in place a management board of a sports association that did not have one.

**Task:**

Prepare a paper on how you would put the board in place including the appropriate board size and the role of the board in sport.

END OF PAPER