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Parallel Bodies in Sports Industry: Risk to Reputation, Regulatory Process, Resources and Talent

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Abstract:

Development of sports within a country is dependent upon the federations that manage and organize them, and any instability in either its infrastructure or in running of these federations, puts the sports of a particular country at a risk of deterioration. Conflicts within and in between sport federations usually occur due to the money, power and authority vested in them resulting in certain negative consequences. The federations fight to avail sport related privileges and while doing so divert from their actual goals and cause damage to sport development. . The current research explores causes of risk event (formation of parallel bodies) and its impact (severe damage to sports), in context of sports in Pakistan. Furthermore, it also proposes ways to get rid of the factors responsible for the aforementioned risk event and suggests methods to secure federations in case if this risk event ensues. The results indicate that this type of risk event is damaging for all kinds of sports, from grass root to national and international levels. It harms not only the sport persons, but also sports structures, resources and talents and puts the reputation of sports federations at stake.

Keywords: parallel bodies, sport industry, sport federation, risk event, magnitude of risk

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I. Introduction:

The current research is based on an actual incident of formation of a parallel sport body, which finds a unique place in sports history of Pakistan, wherein. Two parallel sports national federations appeared simultaneously, claiming equivalent authority. The duplication of authority, resulted in federations' conflicts and negative consequences of high intensity, such as : damaging sport reputation, at national and international level, ban by International Olympic Committee (IOC), severing relationships with international federations, endangering sports structure (regulatory/fiscal risk), loss of resources (risk to time, training, energy, developmental plan and funds) and talent risk (loss or wastage of potential players and their skills, lack of training, age and time). Consequently, the sport fans remain deprived of any national activity that has been performed successfully, which may result in serious risks and endanger Pakistan sports. Parallel federation's presence indicates fight for power, which certainly has negative consequences, such as lack of management of sports at grass root to national level. Amongst these parallel federations, only one has a legal stature, is recognized by the IOC, and its legality and existence has also been acknowledged by the court. Hence, questions regarding reasons or flaws that led to formation of such federations and the extent/nature of damage to sports need to be explored. The present study focuses on identifying the causes of such a drastic event and its consequences. It also will provide steps to prevent and manage future risk of such an event. Risk is defined by many researchers in various ways, in multiple areas and by versatile dimensions. Risk influences each aspect of human life (Merna & Thani, 2008). In sports, athletes are at risk at different levels in their sporting lives. Risk in general, is defined by Bussey (1978), Merrett and Sykes (1983) as: "A decision is said to be a subject to risk when there is a range of possible outcomes and when known probabilities can be attached to outcome" (cited in Merna & Thani, 2008). Risk can be described as a decision which is taken on the basis of range of estimated outcomes. Risk has four parameters, and the risk phenomenon has to fulfil these four meters, viz., which as provided by Allen, (1995) are: 1) Probability of occurrence, 2) Severity of impact, 3) Degree of interdependency & 4) Susceptibility of change (cited in Merna & Thani, 2008). Many researchers have defined risk in sports in different ways with different aspects, dimensions and by using different methods. Lot of research has been done in sport risk literature. Most of the work has been done on *injury risk* and *institution risk*. *Injury risk* may mean head injury risk (Dvoark et al., 2007), concussion risk (Kutcher & Eckner, 2010), musculoskeletal pain of the lower limb or back (Buist et al., 2008). Injury risk in sports is present when there are heavy training and exercise programs accompanied by high pain tolerance, intermittent or continuous bursts of an all-out effort. Furthermore, mind-numbing repetitious contact with opponents and other physical hazards are risky for high sports (Wiese-Bjornstal, 2010). *Institution risk* has been identified as risk of security measures, of lack of proper warnings, of collapsible r goal post structures, of imposed fines and of state legislation etc., amongst others (LaVetter & Choi, 2010). There are many definitions of risk in general along with sports specific definitions, and few of them are discussed below. Risk in sports is defined as risk events, having certain causes and impacts. Risk events are incidents which when occur, become a source of obstacles in meeting goals, cause set off to events and result in unexpected consequences related to the event (Bugalla et al., 2011). For risk identification, full capacity of risk must be observed and full range of risk must be identified (Young et al., 2007). Risk is inherent (Young et al., 2007) in all sports, due to the nature of sport such as injuries, over-consumption of time and lack of funds etc. Inherent risk is defined as a risk which "depends on the nature of business or organization and the way in which it is organized internally" (Merna & Thani, 2008). As far as Pakistan is concerned, it is confronted by a major risk event (formation of Parallel bodies), which indicates tough consequences for sports in Pakistan. The literature review on sport risks, thus leads to the following:

II. Research Question:

Q: What factors are responsible for formation of parallel sports bodies in Pakistan and what impacts do such bodies have on sports?

III. Role of the International Olympic Committee (IOC):

International Olympic Committee (IOC) is an international organization, managing sports at global level. IOC is the supreme authority of the Olympic moments and activities. It acts as a medium for collaboration between all parties, countries and associations. These parties are known as the 'Olympic family,' which organizes and monitors a broad range of international mega events, projects and programmes. , along with other countries, Pakistan too is a member of the IOC and participates regularly in events arranged by it (IOC, 2013). Pakistan's Olympic association (POA) is known as National Olympic Committee (NOC) which is affiliated with and has membership of IOC. NOC is headed by a president, who is the member of IOC . and is referred to as the only legal head, recognized by the IOC and authorized to receive all the invitations of sports events, information of changes and enhancement policies.

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IV. Pakistan Sporting Associations:

The first sport body in Pakistan was the Pakistan Olympic Association (POA) (POA, 2013a). Later on, Pakistan Sports Board (PSB) was established under an Ordinance passed in 1962 to regulate development and control of sports by Ministry of Education and Scientific Research under the Ordinance no. XVI of 1962. Federations are formed under the constitution of POA and membership of POA can be achieved according to the constitution. Members could be national federations and other sport organizations and as per rules, there should be one National federation for each sport, which must be affiliated with (IF). IF stands for International Federation recognized by the IOC (POA, 2011).

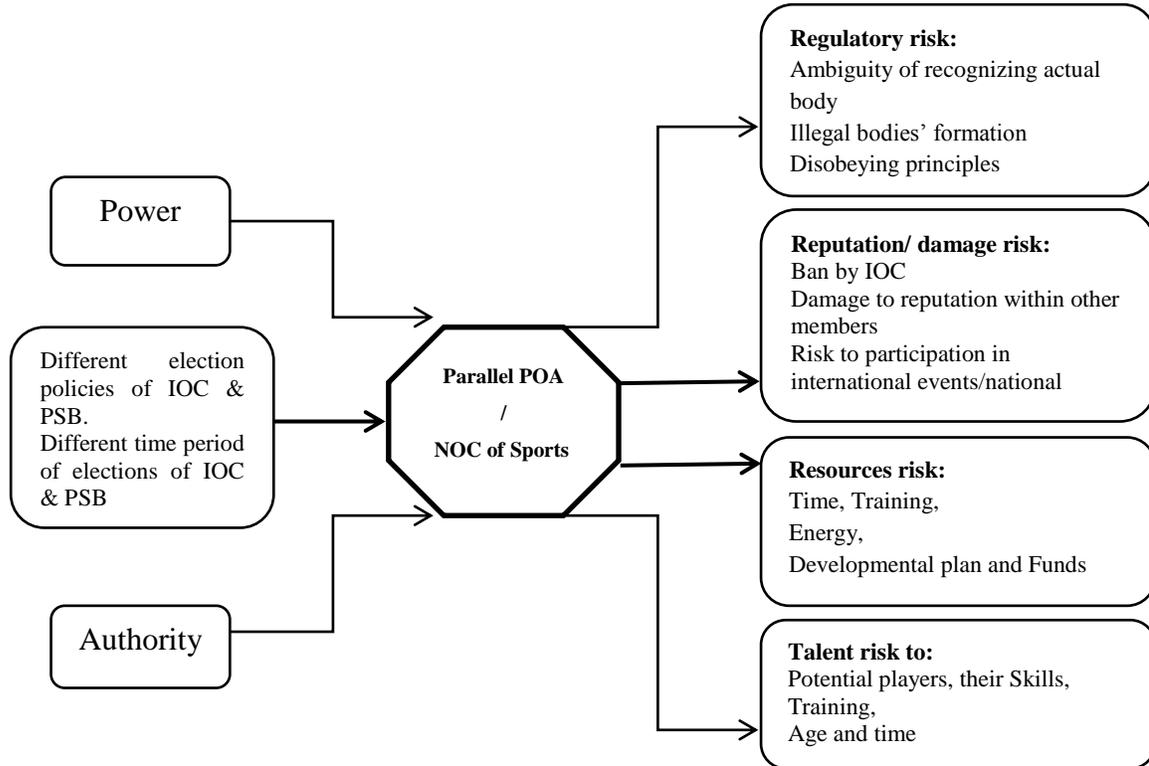


Figure 1: Theoretical Framework

PSB is known as sports related supreme body which monitors all activities or affairs of National Sports Federations (NSF) affiliated with PSB. PSB also ensures appropriate utilization of grants (funds) and special grants provided by the board. There are two types of grants: *annual* and *special* grants. *Annual* grants are allocated to National Federation for meeting their day to day expenses and *special* grants are approved by Executives (PSB) according to the popularity of a game (P.S.B., 2013). The members of PSB are the National Federations which deal with all the national events at every level. POA is the NOC of Pakistan and is the sole entity which represents Pakistan in IOC. It also acts exclusively under Olympic Charter. POA is formed for active participation of Pakistan in Olympic Games (events). In Pakistan it is the older sports body. The role of POA is to bring the athletes to Olympic Games, Commonwealth Games, Regional and Asian Games (POA, 2013b). The POA has 36 federations of different games affiliated with it (see Table1). It is the legal body of Pakistan, which has 36 federations working under it, for creating, training, finding, athletes and enhancing their skills for particular game events. National federations provide membership on provincial level federations. These work for the development of sports in Pakistan to make healthy environment with the help of sports (POA, 2011). Each of these federations is a part and member of POA.

In many studies, researchers have argued that parallel structures within organizations are developed for efficiency purposes (Hartley, 2003; OSCE, 2007; Armstrong et al., 2005). Furthermore, these bodies are developed for better governance and regulations purposes. Similar working infrastructures, innovative parallel structures and division of same power have been found to lead them towards high work capacity and to have grip on the areas to fulfil

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purposes of their formation (Hartley, 2003; OSCE, 2007; Armstrong et al., 2005). But in sports the situation is considerably different, and there always has to be one national authority, under which federations are accommodated. In Pakistan, there is one legally recognized national federation for one particular sport as shown in appendix A. This federation is affiliated with the PSB and IOC for the sake of sport's promotion within country and as well as internationally. Formation of any parallel national federation is considered illegal as per laws (POA, 2011) and the Ordinance 1962 (Ordinance, 1962). There are approximately, thirty-six games in Pakistan (see Appendix A) played in Pakistan and the Federation's related to them respectively. All these federations combined, make up the sport body in Pakistan.

V. Risks arising due to Parallel Bodies in Sports:

As it is seen that there has to be one legal sporting body that governs national sports, and existence or formation of any other body is considered illegal (The News, 2013; Daily Times, 2013). The fight of power and authority starts with formation of another equally authorised sporting body/authority (The News, 2013) which is threat for sports at all levels within sports, consequently, it may ruin the talent and resources and instead of promoting sports be a cause for its decline. In Pakistan the event of formation of two national bodies occurred in 2012 and the saga ended up with the decision of the Supreme Court of Pakistan in 2013. However, of the said illegal body is still active in performing certain activities such as national and local events at provincial level. It also is into disputes with legal body which ultimately impacts the sporting industry. Despite clear and defined rules, formation of an active illegal sporting body raises many questions, particularly regarding the regulatory process. To ascertain facts, various reports were consulted to find out responsible factors. The following table might provide some clarity on the aforesaid issue and on what led to violation of rules and regulations:

Table 1: Risk identification

News Paper	Risk	Description	Reference
Daily Times (2013)	Illegal POA	Declaration of one legitimate and genuine NOC	Daily Times. (2013). <i>IOC asks Pakistan Govt to respect autonomy of Olympic Movement in the country.</i> Retrieved from http://www.dailytimes.com.pk/default.asp?page=2013%5C10%5C15%5Cstory_15-10-2013_pg2_3
	Disobeying principle	The Government of Pakistan expressed a firm commitment to fully respect and comply with the Olympic Charter in particular the principle of autonomy of the Olympic Movement in the company.	
Dawn news (2013)	Blaming each other as Illegal POAs	Defunct debate of bodies: “I remember that over reading your press release issued declaring me as defunct secretary of the Punjab Olympic Association. First of all, I would like to ask you that in which capacity you have declared me defunct.”	Dawn news. (2013). <i>Punjab olympic association (PbOA) secretary Idris Hadris Khawaja has said he will sue his rival body's head Khawaja Farooq Saeed for damages if he does not take back his word of declaring his (Idris') body defunct.</i> Retrieved from http://www.dawn.com/news/1032811/pboa-parallel-body-formed

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The Express Tribune With The International New York Times (2013)	Warns parallel bodies	The association will not tolerate any investigation on the part of parallel sports bodies if then attempt to prompt the international sports body into taking action against Pakistan.	Tribune. (2013). <i>IPC warns parallel bodies</i> . Retrieved from http://tribune.com.pk/story/582864/ipc-warns-parallel-bodies/
The News (2013)	Reputation within other members	Disarray within country and lack of unity.	The News. (2013). <i>(The News on Sunday) Special report: Editorial, the race of Olympics, tough fights, from the inside, IOC may suspend our membership, they are misleading IOC and the case of two national games</i> . Retrieved from http://jang.com.pk/thenews/aug2013-weekly/nos-04-08-2013/spr.htm
	Participation in international events/ national events	The issue has to be decided before August 16- the deadline to accept a formal invitation from the Commonwealth Games Federation (CWGF). Similar story is repeated over Pakistan's participation in Asian Games 2014.	
	Suspension from IOC	The IOC objected to amended rules of PSB and asked federations to simply follow their constitutions and requested the PSB to respect the constitution of the federations and also remove these clauses from the rules.	
	Case of two national Olympic games	The army did not return the Quaid-e-Azam trophy to the organizing committee.	
	Controversial clauses in NSP (especially 4iia and 4xi)	The PSB should review its various important especially clause 4iia and 4xi that are seemingly in direct conflict with the IOC charter.	
	Sports men suffering	Sportsmen in the country are suffering due to this tug of war between the two groups.	
	Talent risk	Talent is in danger due to these activities.	

VI. Causes Leading to Formation of Parallel Body:

The causes related to formation of such illegal/fake body which is equipped with power and enough funds are as under:

1. According to the president of POA it happened with the support of PSB (Daily Times, 2013), which is the monitoring body and is authorized to allocate grants to national federations affiliated to POA and itself. But it was also found supporting the illegal body of POA. It not only allocated funds, but also provided resources to strengthen it. (Tribune, 2013; The News, 2013).
2. Another factor is the misuse of authority by higher sport officials. National Sports Policy (NSP) states that there will be only two tenures for a head of NSF however, the president of POA was elected for the third time as the president and refused to follow PSB, by arguing that "POA is an autonomous body and will follow IOC" (Daily Times, 2013).

VII. Impact of Parallel Body (illegal body):

Sport is at risk when there is confusion regarding the legal bodies or federations. Figure 2 shows that POA is affiliated with the IOC and IOC needs to communicate with both POA and PSB. It sends invitation to POA, which then forwards it to the PSB to arrange camps for particular events or for camps required to be in place by the IOC. PSB afterwards, responds back to POA and with the help of government allocates funds for sports. IOC too, in cases

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of mega events cooperates and provides funds to Pakistan. . POA and PSB work together to for the development, progress and welfare of sports.

In Pakistan this event took on a serious turn, with the start of Olympics in 2012 (The News, 2013). Pakistan sports, which are already a neglected area, moved towards complete disaster due the regulatory risk that arose due to the ambiguity in recognition of actual body, formation of illegal bodies’ and non-implementation of rules (Daily Times, 2013; Dawn news, 2013; The News, 2013).

As the whole parallel biddy saga also damaged Pakistan’s reputation when IOC strictly warned Pakistan to stop the disputed activities to avoid implementation of a “ban by IOC” (Tribune, 2013; The News, 2013). Reputation within other members and participation in international events/national events was also damaged (The News, 2013)

Sportsmen, sportswomen and resources also were put to risk such as (time, training, energy, developmental plan and funds) (The News, 2013). The potential players suffered the most, as they were totally ignored during the disputed period. Their skills and training were also affected.

VIII. Risk Management for Parallel Body:

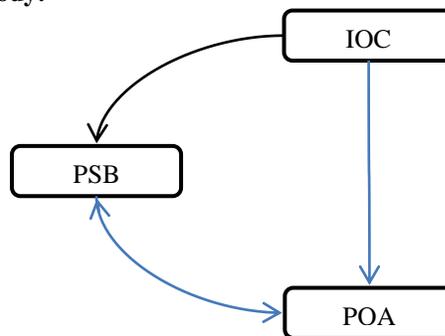


Figure 2: System of sports

Aforementioned are the causes of generation of Parallel federation. The figure 2 shows that it weakens the relationship of PSB and POA which is declared by Supreme Court as legal federation (The News, 2013). There are high level of conflicts, disputes and tug of war for power and which is adversely affecting sports in Pakistan.

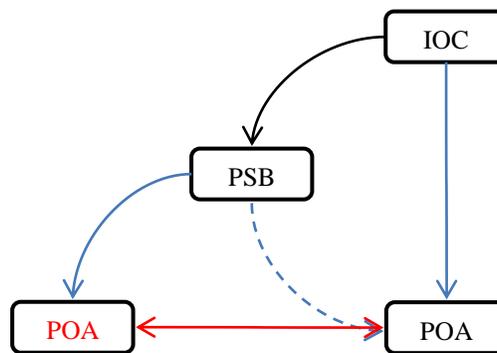


Figure 3: Parallel body and there relation

The current study proposes to adopt risk management process in this uncontrollable situation. As a study used “risk management (RM) architecture model” for managing risks (Hopkin, 2010). There is the lack of “audit committee (AC)” within the sports of Pakistan. There is a board (PSB) and an executive committee (POA) is in place which is running the sports but they fail to protect sports from a risk that has negative consequences on talent, reputation, resourcing and regulations, giving rise to the need of audit committee. The AC must monitor and may prevent the authority, funds, resources, reputation and talent. For the purpose all the athletes affiliated with the POA must also

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get affiliated with AC. The AC should also get affiliated as an additional member of IOC that is able to get hold on sports activities in case of a conflicting situation to prevent loss to sports, talent, resources, funds and reputation.

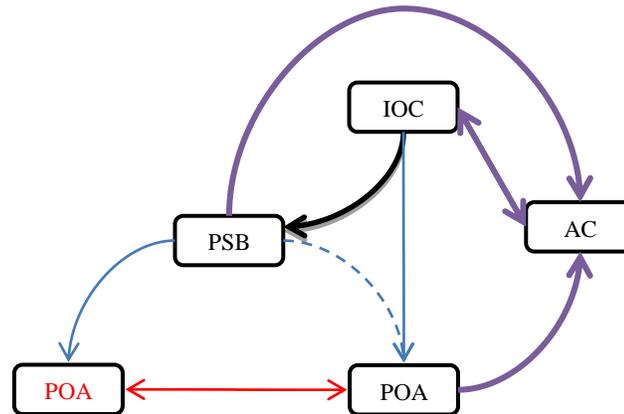


Figure 4: Introducing Audit Committee

IX Conclusion and Future Directions

The study contributes enhancing our understanding of the causes of formation of parallel bodies. This study also explores its negative consequences on sports in Pakistan. Furthermore, it provides remedy to control such an event happening again and to overcome the consequences if the event occurs. It seems to be a political issue when seen in the light of laws and current affairs. This parallel body was not created for the effectiveness and wellbeing of sports. It has damaged Pakistan's sports not only at national but also at international level, necessitating. Adoption of a risk management process, PSB created this parallel body for the implementation of National Sports Policy (NSP). But the question is that, if PSB wanted to follow NSP, how and why it let the already twice elected president to be a candidate for elections, against the rules, for the third time? It shows that PSB was not fulfilling its responsibility or was it is not its responsibility? If holding elections does not fall in the realm of PSB then it may be argued that its interference in the elections which were recently held may be regarded as a deliberate misuse of power. Future researches are required to get into the actual purpose of such a situation.

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Appendix: A

Table 1: PSB Sports List

Name of Game	Federation's Name
1. <u>Athletics</u>	Athletics Federation of Pakistan
2. <u>Badminton</u>	Pakistan Badminton Federation
3. <u>Baseball</u>	Pakistan Federation Baseball
4. <u>Basketball</u>	Pakistan Basketball Federation
5. <u>Billiards & Snooker</u>	Pakistan Billiard & Snooker
6. <u>Bodybuilding</u>	Pakistan Bodybuilding Federation
7. <u>Boxing</u>	Pakistan Boxing Federation.
8. <u>Bridge</u>	Pakistan Bridge Federation
9. <u>Chess</u>	Chess Federation of Pakistan
10. <u>Cycling</u>	Pakistan Cycling Federation
11. <u>Equestrian</u>	Equestrian Federation of Pakistan
12. <u>Football</u>	Pakistan Football Federation
13. <u>Golf</u>	Pakistan Golf Federation
14. <u>Gymnastics</u>	Pakistan Gymnastic Federation
15. <u>Handball</u>	Pakistan Handball Federation
16. <u>Hockey</u>	Pakistan Hockey Federation
17. <u>Judo</u>	Pakistan Judo Federation
18. <u>Kabaddi</u>	Pakistan Kabaddi Federation
19. <u>Karate</u>	Pakistan Karate Federation
20. <u>Polo</u>	Pakistan Polo Association
21. <u>Shooting</u>	National Rifle Association
22. <u>Rowing</u>	Pakistan Rowing Federation
23. <u>Rugby</u>	Pakistan Rugby Union
24. <u>Sailing</u>	Pakistan Sailing Federation
25. <u>Ski</u>	Ski Federation of Pakistan

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26. <u>Squash</u>	Pakistan Squash Federation
27. <u>Swimming</u>	Pakistan Swimming Federation
28. <u>Table Tennis</u>	Pakistan Table Tennis Federation
29. <u>Taekwondo</u>	Pakistan Taekwondo Federation
30. <u>Tennis</u>	Pakistan Tennis Federation
31. <u>Volleyball</u>	Pakistan Volleyball Federation
32. <u>Net ball</u>	Pakistan Netball Federation
33. <u>Weightlifting</u>	Pakistan Weightlifting Federation
34. <u>Wrestling</u>	Pakistan Wrestling Federation
35. <u>Wushu</u>	Pakistan Wushu Federation
36. <u>Ju-Jitsu</u>	Pakistan Ju-Jitsu Federation