

Adillik
Şeffaflık
Hesap verebilirlik
Sorumluluk



Fairness
Transparency
Accountability
Responsibility

Governance of Turkish Football Clubs

Corporate Governance in Football- An Introduction

The roots, the committee, the goals, the structure and the principles

The roots:

The Corporate Governance Association of Turkey (**TKYD**) has taken the initiative to help in establishing the standards of governance in football in Turkey. The TKYD's focus is to ensure good governance principles in the Turkish business community and Turkish football industry with its estimated 525 million Euro market size as of the 2008-2009 season is becoming a tangible part of the business community. In addition due to the social implications of football and its significant value add for the youth, TKYD strongly believes that football is more than just a game. Football, the beautiful game, attracts the interest of millions from all layers of society and the boards of football clubs are representing millions of fans. Therefore, the boards have the responsibility to govern these clubs with the highest corporate governance standards. We believe football clubs must be managed in line of the globally accepted corporate governance principles and must be monitored in the same way. A good governance structure is required for any football club to be run efficiently, transparently and accountably. Additionally such a structure will lead to ensuring trust for all the stakeholders. Therefore all stakeholders of football clubs, especially the fans, are in need of such structures and the development and the execution of such structures are for the well being of all stakeholders. These structures and principles will not directly lead to the success on the field, however they will ensure the off-the-field success. A club managed in line with the corporate governance principles will at a minimum guarantee the success of its management structure and its sustainability. In the long run, these will most probably lead to sportive success as well. Lastly due to the significantly growing size of the football industry and its stakeholders, there are crucial risks that the sports clubs are facing. With the development and proper execution of the corporate governance principles, these risks will also be minimized.

In line with these thoughts, TKYD formed a Committee with a mission to develop the governance standards of football in Turkey. The purpose of the Committee is to develop a comprehensive governance guide that is valid for all professional football/sport clubs in Turkey.

The Committee:

TKYD has gone through a very challenging process to establish a strong team to pursue the above mentioned initiative. The Committee is composed of;

- Dr. Levent Bıçakcı, Ex-President of Turkish Football Federation, Member of the UEFA Appeals Body
- Ömer Tanrıöver, Deloitte Turkey, Audit Partner
- Ahmet Ünüvar, Deutsche Securities Chairman & CEO
- Mete İkiz, NBGI Private Equity Turkey Fund CEO
- Burak Gürkan, Turkish Football Federation, Marketing Director
- Dorukhan Acar, The Boston Consulting Group Project Leader, Corporate Governance Association of Turkey Alternate Board Member
- Tuğrul Akşar, Garanti Bank Regional Director, Co-Author of 5 books on football economy including Industrial Football, Football Economics and Football Management
- Güray Karacar, Corporate Governance Association, Coordinator

The Goals:

The main goals of the project are as follows:

- Making sure Turkish football universe and all their stakeholders understand and adopt the corporate governance logic and its main principles.
- Providing a guideline, a support tool, for the managers and boards of the Turkish football clubs.
- Comparing Turkish football managerial principles with its core competitors as well as main benchmarks to selectively choose the route for Turkish football.
- Ensuring efficiency in the management of Turkish football.
- Supporting Turkish football industry to expand its size, reach ad power via its well established management structure (both on and off the field).

To that end, the Committee is developing a suggestive corporate governance code for Turkish football/sports clubs. This project clearly and strongly avoids the following:

- Imposing a single management structure for all clubs.
- Forcing a mandatory governance code for Turkish clubs.
- Out-placing the Turkish Capital Markets Board (CMB) and OECD principles which are mandatory for the public companies.
- Requesting the same principles for all professional clubs.
- Asking for 100% compatibility and execution.

The structure of the study:

The Committee jointly agreed on the following structure for the study:

- Corporate Governance Principles
 - The Principles: OECD, Capital Markets Board of Turkey
 - Corporate Governance and Football
- Football and Commercialization
 - Football Industry: The Structure, size and the need for governance
- Stakeholders in Football
 - FIFA, UEFA, EU, Football Federations
 - Professional Football Clubs Managements
 - The Fan
- Corporate Governance in European Football
 - History of Governance in Football
 - UEFA and Licensing
 - Optional Governance Codes in Football: FA Example
 - Other Country Examples
 - Top European Club Examples: Manchester United, Real Madrid, Barcelona, Bayern Munich, Ajax
- Current Status in Turkey
 - Federation
 - Sponsors
 - Clubs
- Corporate Governance in Turkish Football- The Guiding Code
 - Potential Ideal Management Organization
 - Executive Committee
 - Risk and Control Mechanisms
 - Compliance with the regulations
 - Transparency and reporting principles
 - Accountability principles
 - Responsibility principles
- Results and Next Steps

The Principles:

The Committee has been formed solely on the basis of know-how and competencies of its members. There is no club representation. In addition, there is no official stakeholder of the football economy in Turkey to ensure objectivity. However, the final output will be treated as draft until shared with all the relevant stakeholders and will be finalized in line with the thoughts of the stakeholders. The Committee's understanding of the stakeholders includes not only the Turkish Football Federation and the clubs but also the sponsors, the sports industry professionals and the fans. Additionally, the Committee will exchange thoughts and ideas with the core institutions in football such as FIFA and UEFA as well as major academic centers such as University of London Birbeck Sports Business Centre.

There is no commercial goal or interest regarding this study. The study is being conducted for the well-being and further development of Turkish football and the core benefit of the effort is aimed to improve the institutionalization of the Turkish football industry.

Unless the output of the study is accepted and embraced by the Turkish Football Federation and Turkish professional league clubs, at least the Super League and Bank Asya 1. League clubs, the effort is meaningless. Therefore, upon the development of the final output, the Committee will seek to establish a common understanding to ensure the acceptance and embracement of the output.

We hope all the readers enjoy the study but more importantly we sincerely hope all the industry accepts and embraces the output.

Yours Truly,

Dr. Levent Bıçakcı

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