



The Queensland Rifle Association (Incorporated)

Report on the QRA Board's Performance 2019

This report is on the performance of the QRA Board and how it is meeting its strategic, operational, and fiduciary responsibilities to the Association. It is focused on strengthening governance and compliance, particularly in relation to policies, procedures and the culture of the Board. It is based primarily on a survey of QRA Board and membership, supplemented by interviews with Board members and other selected stakeholders. The report provides an explanation and analysis of the data collected from respondents and makes recommendations for the Board's consideration. It is written without prejudice and it is acknowledged that the report, its findings and recommendations are limited by the scope of the Review's Terms of Reference and the reliability of the survey's data sources. Further investigation on particular points prior to Board decisions and actions would be prudent to confirm any assertions made in this Report.

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**REPORT ON THE PERFORMANCE
OF THE
THE QUEENSLAND RIFLE ASSOCIATION (INCORPORATED) BOARD
BY
BRIGADIER (Retd) IAN ERRINGTON AM, CSC
3 MAY 2019**

References:

- A. Terms of Reference for the Queensland Rifle Association (Incorporated) Board Performance Evaluation 2019, issued to Brigadier Errington by email on 20 February 2019 (Enclosure 1)
- B. Queensland Government Better Business Practice Guidelines
- C. Rules of the Queensland Rifle Association (Incorporated) dated 15 August 2017
- D. Queensland Rifle Association (Incorporated) Governance Policies and Procedures, undated
- E. Queensland Rifle Association (Incorporated) Draft Strategic Plan 2017 – 2020, Version No 1, dated 12 September 2016
- F. Queensland Rifle Association (Incorporated) Disciplinary Tribunal Policy, dated 26 September 2014
- G. Queensland Rifle Association (Incorporated) Member Protection Policy, dated 24 November 2016
- H. Queensland Rifle Association (Incorporated) Draft Risk Management Policy, undated
- I. Queensland Rifle Association (Incorporated) Minutes from the 2019 AGM and preceding Board Meetings in 2018
- J. Metropolitan District Rifle Association submission to KPMG Review of the Queensland Rifle Association (Incorporated) and Belmont Range, undated
- K. Australian Institute of Company Directors, Director Tools – Improving Board Effectiveness (Board Performance)
- L. Australian Institute of Company Directors, Director Tools – Checklist for Assessing Board Composition
- M. Organisational Performance Review, Queensland Rifle Association, conducted by KPMG, dated 3 November 2016
- N. Belmont Shooting Complex, Future Governance Arrangements Analysis, conducted by Otium Planning Group, May 2018

PART 1 – INTRODUCTION

Appointment

I, Brigadier (Retd) Ian Errington, having been duly appointed in accordance with the Terms of Reference (Reference A) to conduct a review of the performance of the Queensland Rifle Association (QRA) Board, herein submit my report.

Conflict of Interest Statement

I am a member of the Natives Full Bore Rifle Club and a financial member of the QRA. I do not believe these memberships represent a conflict of interest in relation to my ability to objectively undertake this review. I have no other pecuniary interest in the conduct or outcome of this review. I am not being remunerated or provided any in-kind considerations for my work on this review. There is no promise of remunerated work or other benefit subsequent to this report being finalised.

Aim

The aim of the performance review is to assist the QRA Board to improve its operations and deliver better outcomes to members. The review is designed to strengthen governance and transparency. In conducting this review, the QRA also satisfies certain compliance requirements of the Queensland government in relation to the operations of not-for-profit (NFP) entities and recipients of Queensland government grants.

Objective

The principal objective of this review is to examine and report on the QRA Board's performance. 'Performance' in this report is taken to be the QRA Board's use of, adherence to, and promotion of policies, procedures and culture. 'Performance' is further defined below.

Method

The research design consisted of two online surveys, interviews with key stakeholders and a review of relevant QRA policies, Board Minutes and other relevant documents.

- The first survey was conducted using the free online Survey Monkey platform. It consisted of eight questions related to the governance recommendations contained in Reference B. There were also two free-text questions inviting respondents to provide recommendations on how the QRA Board might improve its performance. This survey was sent to all QRA Board members, all QRA Councillors, 525 randomly selected QRA members, as well as to representatives from the NRAA and NQRA. The survey was also sent to un-nominated respondents selected by the reviewer.
- The second survey – the Queensland government's Club Health Check – was not undertaken. This survey was intended to highlight any differences with the online survey. The original design held that any differentials between the two would indicate preferred performance improvement trajectories for the Board to consider. However, this survey was held in abeyance on the recommendation of the reviewer after the results of the first survey indicated near unanimity of opinion amongst all groups. The Club Health Check could be used later a useful step to measure development following the consideration and implementation of recommendations from this review.
- Interviews were conducted with all Board members and the Executive Officer. The same offer was made to all Councillors, not all of whom participated. Discussions were also conducted with un-nominated respondents who are considered to have a

credible depth of knowledge of the performance of the QRA and its various Boards over an extended period of time.

- A review of References C to J provided irrefutable evidence of Board procedural performance in relation to its governing rules and treatment of objectives.
- Guidelines from the Australian Institute of Company Directors (AICD) contained in References K and L were used as a gross-error check on the analysis and assessments made in this report.
- Previous consultant reviews were examined for consistency with the current recommendations and progress against previous ones.

Limitations

The use of an online survey relies on respondents' willingness to complete it. Also, it is fair to say that there is no perfect survey question and each question can be interpreted differently depending on an individual respondent's disposition, experience and interest. Therefore, it would be imprudent to state categorically that the online survey indicates the true and unassailable assessment of the Board's performance. However, the use of interviews and un-nominated respondents – for both the survey and interviews – provides a level of check and balance in the assessments that make them valuable.

The survey response rate overall was mixed. Seventy per cent of members of the Board and Council responded to the survey. Approximately 18 per cent of QRA stakeholders responded to the survey.¹ It should be noted that, generally speaking, a response rate to online surveys above 10 per cent is considered good.² While some caution about the results is healthy the consistency in the results from a broad cross-section of respondents strengthens their credibility. Moreover, the accompanying interviews provided strong and near-unanimous evidence on all key elements of the Board's performance – policies, procedures and culture, as well as rules and structures.

The split of responses between Zones is not evident in the results.

There were a significant number of criticisms made about the QRA that are beyond the scope of this review. However, proper treatment of the recommendations in this review would likely fix most, if not all, of these concerns. Some unsubstantiated allegations of impropriety made in the course of the review were referred for consideration, in accordance with Reference A, to the Executive Officer and President of the Board.

¹ Not all responses were included in the scores because of limitations on the free survey version used. More responses could be used if the QRA wished to upgrade (pay) for a full version of SurveyMonkey. While the result of doing so would give somewhat higher confidence in the result, it is doubtful that a much different result would be achieved. In other words, the responses analysed are sufficient evidence.

² Fryrear, Andrea, *What's a Good Survey Response Rate*, surveygizmo // resources, <https://www.surveygizmo.com/resources/blog/survey-response-rates/>

PART 2 – QRA BOARD PERFORMANCE

General

It is not uncommon for NFP organisations that operate on the goodwill and selfless efforts of volunteers to either falter, or misstep, from time-to-time in their duties. It is considered grossly unfair to criticise Boards and individual Board members, who are doing their best to serve their constituents, by focusing on minor transgressions. It should also be noted that in most cases only a small proportion of NFP organisations' members volunteer to support their Boards. Therefore, it is important in this review to recognise the efforts of the current and past QRA Board and Council members who have committed their time and efforts in the interests of the sport, and to thank them unreservedly.

These sentiments, however, neither excuse nor condone irresponsible or negligent performance, including actions that are in the pursuit of personal or factional agendas. Such actions are considered poisonous to any organisation and a dereliction of duties by any member guilty of them. A Board must act at all times in the interests of the endeavour for which it is appointed (the sport of shooting in this case). Hard, unpopular or otherwise difficult decisions will inevitably present themselves. Taking these decisions will require courage to ensure the sustainability of the Association.

Context

The Board's performance must be considered within the context of the rules and structures that constrain its operations. Also, this same context means that the performance of the Council is inextricably linked to that of the Board and must also be considered for this review to be useful. The issues of rules and structure are addressed in more detail under *Culture* and in the *Analysis and Assessment* section of this report.

Performance Defined

The Board's performance is defined as the action or process of performing a task or function. The Queensland government's Sport and Recreation Services (SRS) offers assistance to improve administration, management and operational processes and procedures of sport and recreation clubs to strengthen their capacity. The AICD is clear that Board performance is vital to the success of an organisation.

*"...To ensure the Board is a strategic asset, it must have the right mix of skills and knowledge as well as the ability to work effectively as a team. Today's rapidly changing business environment also requires boards to be flexible and responsive in order to meet unexpected needs and challenges..."*³

The Centre for Corporate Governance (University of Technology Sydney) advocates the following factors as necessary for effective Board performance:⁴

- A boardroom culture of mutual respect, honesty and openness that encourages constructive debate.
- Diversity of experience, styles, thought and, as far as possible, age, gender and nationality.⁵

³ Reference K, Preamble.

⁴ Reference K, page 1

⁵ This amalgam represents 'cognitive diversity' and is a better construct to consider what makes the Board function well.

- A good relationship with the CEO⁶ and senior management.
- A common purpose and strategic clarity.
- An experienced chairperson who can manage the board agenda, encourage debate and work in harmony with the CEO.
- Efficient Board structure and processes including committees, board papers, information flow and a good company secretary.

The same report⁷ identifies the factors that hinder board effectiveness as follows:

- An adversarial atmosphere in the boardroom or an unmotivated board with a tendency to group-think.⁸
- Skill deficits or lack of genuine independence on the board.
- A poor relationship with the CEO and senior management which can impede information flow.
- Conflicts of interest or factional interests on the board.
- Poor chairmanship – a chair who is too weak, too autocratic or too close to the CEO.
- Poor processes leading to inefficient use of time.

The QRA Board will be able to recognise for itself where its performance matches these good or bad performance factors. It should, as a matter of course, constantly check its performance against these criteria and resolve any issues before making key decisions.

Recommendation: Conduct a quarterly review of the Board's own performance and commit to genuine adjustments to reflect the factors necessary for effective board performance.

Skills Audit

A skills audit is at Annex A. It highlights the need to develop or include on the Board formal skills and experience appropriate to steering a multimillion-dollar enterprise. In particular, legal, commercial, environmental and financial qualifications should be part of the Board's skills matrix. If these skills are not immediately available, then the Board should consider inviting appropriate

⁶ It is noted that the QRA has an Executive Officer vice CEO in its structure, but the relationship issues are the same.

⁷ Reference K, page 1.

⁸ Groupthink occurs when well-intentioned people make irrational or sub-optimal decisions that are spurred by the urge to conform or by the discouragement of dissent. This problematic or premature consensus may be fuelled by a particular agenda or simply because group members value harmony and coherence above rational thinking. In a groupthink situation, members refrain from expressing doubts and judgments or disagreeing with the consensus. In the interest of making a decision that furthers their group cause, members may ignore any ethical or moral consequences.

advisors to assist the Board's deliberations. The AICD has a checklist (Enclosure 2) for key competencies of directors that could be a useful guide.

Recommendation. *Develop a matrix of required skills and recruit directors to meet these requirements.*

Leadership skills are most important to the performance of boards. It is not apparent that the QRA Board members possess formal leadership qualifications, although it is acknowledged that some experience in leading businesses and small teams is part of the practical skills matrix. Notwithstanding this experience, continual professional development commensurate with the level of operations being undertaken should be considered a necessary part of organisational growth and stability. Also, the moral and ethical dimensions of leadership, especially at higher or complex organisational levels, are not often associated with on-the-job experience but can be enhanced through training and development. The importance of leadership is amplified in the *Analysis and Assessment* section.

Recommendation. *Consider leadership and other relevant professional development opportunities for QRA Board members.*

It is evident that the QRA Board lacks cognitive diversity. The Board is comprised of members whose principal reason for participation is due to their involvement in the sport of shooting. While technical (shooting) expertise is useful and desirable, drawing Board expertise from this pool alone may not produce the required balance necessary for the Association's peak body. External board members can provide considerable cognitive diversity necessary for the QRA to be successful and for the sport to prosper.

Recommendation. *Consider the inclusion of additional board members from outside the sport whose expertise is in complex organisation and board management, possess specific professional skills, or have experience in reinvigorating stagnating enterprises.*

Survey Results

The online survey focused on the QRA's governance. The SRS describes 'Governance' as the systems, structures, culture and process for making and implementing decisions. Good governance has eight major characteristics:

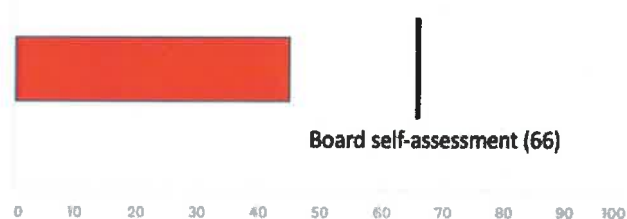
- Participatory.
- Consensus oriented. [This term is often misinterpreted as meaning unanimity. It is more appropriate to consider the term to mean preferring and seeking common agreement, but not absolutely necessary for decision and action. It certainly implies that a genuine effort has been made to consult widely on a particular issue before decision.]
- Accountable.
- Transparent.
- Responsive.
- Effective and efficient.
- Equitable and inclusive.
- Within the organisation's (or legislative) rules.

Eight of the ten survey questions related to these characteristics. Two other questions offered respondents free text opportunities to include recommendations on how to improve Board performance and outputs. The overall score result is shown in Figure 1 below.⁹ The results for each question are shown at Annex B.

QRA Board Performance Survey Overall Scores^{9^}

Key points

- Membership perception of underperformance
- Board self-assessment is significantly different to membership
- The Board has not recognised some performance elements need to be at 100%
- Indicates weak governance, Board low self-awareness, disconnection with base



⁹ Average of all scores

[^] Limited by sample size and responses

Figure 1

The Board's performance against all criteria, as perceived by the QRA membership, is poor. The Board's perception of its own performance against these criteria was not much better. In particular, performance against what should be considered zero-tolerance for failure criteria (i.e. How well is the QRA Governed (Q1) and How accountable is the QRA Board (Q4)) should be cause for immediate concern and action to rectify.

Combining these scores along the functional performance lines of Policy, Procedure and Culture allows for the development of a simple, but important, depiction of the performance assessment differentials.¹⁰ Priorities for effort are summarised in Table 1 below.

Governance Question (Q-Score)	Relates to Function	Survey Score	Function Score (average of Q-Scores)	Target Score	Priority of effort
Rules-based (Q1)	Policy	63	Policy 55	100	Requires the immediate focus of the Board
Accountability (Q4)	Policy	46			
Stakeholder Participation (Q2)	Procedure	41	Procedure 44	>75	High priority. Procedures should be reviewed and improved concurrently with Policy performance.
Consensus (Q3)	Procedure	45			

⁹ The overall score result is an average of all question scores.

¹⁰ These groupings are based on a subjective arrangement by the reviewer.

Effectiveness and efficiency (Q7)	Procedure	44			
Transparency (Q5)	Culture	38	Culture 42	>75	Medium-high priority. These are important functions that must be addressed as soon as practicable. Progressive attention to cultural aspects of the Board's performance can begin immediately and be developed further over time. Objectives should be set and monitored.
Responsiveness (Q6)	Culture	43			
Equity and Diversity (Q8)	Culture	43			

Table 1 Functional Performance Scores

Policies

QRA policies are the responsibility of the Board and Council to raise, implement and update. The review identified a number of policy documents in place. However, these are either outdated, incomplete, or not referenced in the QRA Board's business.

- A good example of policy inadequacy is the QRA Strategic Plan 2017 – 2020 (Reference E). It was issued as an initial draft in September 2016 and there is no evidence of it having been completed, formally adopted, or periodically updated. With few exceptions, there is no evidence of its objectives being implemented systematically. In the last 12 months of Board Minutes there is no assessment of performance against the stated KPIs and no measures of effectiveness against the stated strategies. This is likely due to the confused structure of the Board and its appointment and portfolio responsibilities.¹¹
- The most important policy is the QRA's Rules document (Reference C). It is a reasonable document in its current form but is constructed to authorise an organisational structure that is perhaps now outdated.
 - The most urgent area of concern, as expressed by the survey respondents, is the disenfranchisement of the membership that has occurred under the current rules. The failure of the Councillors to represent their constituents is a common theme amongst respondents.
 - Second to the issue of disenfranchisement is the lack of clarity around Board and Council responsibilities. In short, the rules provide authorities for the Council but few responsibilities, while providing many responsibilities on the Board with few authorities to act independently of the Council.
 - As the headline document, the Rules should reference superior authorities and regulations to ensure it remains relevant and current with evolving best practices and Queensland government requirements. It is noted that some aspects of the Rules are not followed by the Board or are pursued in a cursory manner. The relevant examples are mostly concerned with Board procedures including meetings, distribution of information, and coordination of events.

¹¹ There may be an amplification of achievement against objectives in Board member reports, but these were not made available for the review.

- The QRA Governance Policies and Procedures policy document (Reference D) appears to be an unfinished amplification of the Rules.
- References F, G and H are necessary documents and appear to be reasonably current.
***Recommendation.** The QRA Board should as a matter of priority review its policies for relevance and currency and update them. The QRA Board and Council should determine to conduct business in accordance with these updated policies.*

Procedures

QRA Board procedures are, at best, superficial and cursory and, at worst, an abrogation of responsibilities. There is little evidence of coherence between policy objectives and Board meeting agendas. There is little evidence of Board papers relating to agenda items being prepared and circulated in a timely manner for consideration prior to the meetings. And there is little evidence of delegation to sub-committees of the detailed work necessary for the Association to meet its KPIs. As a result, the Minutes are shallow representations of the treatment of significant issues. There is also a strong suggestion from respondents of factional collusion that subverts the natural course of evidence-based and objective decision making. There are testimonials from stakeholders indicating a lack of Board unity as well as allegations of active efforts to undermine Board decisions either before or after the fact.

The review heard concerns in relation to financial dealings and investments indicating a weakness in the Board's commercial acumen and its ability to analyse and comprehend the significance of major decisions. It was explained that short-cutting of procedures overlooked due-diligence checks and balances at key points of some significant financial decisions. Notwithstanding the seriousness of the allegations, there is insufficient evidence to conclude that the Board does not fully understand its fiduciary responsibilities or is acting, or has acted, irresponsibly. However, there is a prima facie case of concern and the Board should examine its past and present financial interests to either rule out improper conduct or recover and remediate any doubtful circumstances. Absolute propriety in financial decisions is paramount for the Board's proper conduct. Due diligence checks and keeping investment matters at arm's length from the Board, as well as ensuring independence in the advice underpinning its investment decisions, are fundamental to objective and ethical financial management.

Stakeholder participation in Board activities and decisions – hence interest from the rank and file – is reported as low primarily due to the Zone Council construct. The coordination function and skill of the Councillors varies, and this is reflected in the many negative responses from members who are critical of poor communication from the Board and Council. The general sense from the membership is that the Board and Council are not transparent.

The Board appears to seek consensus in considering its decisions. However, the perceptions of stakeholders, as well as some Board members, is that factionalism more than consensus or objectivity drives Board decisions.

The effectiveness and efficiency of the Board is questioned by the membership and reflected in the declining financial position of the Association.

***Recommendation.** The QRA Board should as a matter of priority review its procedures, especially in relation to financial dealings, and implement an open and transparent system for controlling Board business.*

***Recommendation.** The QRA Board should consider the appointment of a Secretary to manage Board business, including meeting coordination, Minute writing and distribution, and routine Board correspondence.*

Culture

“...Culture eats strategy for breakfast...”¹² is a phrase that applies to all organisations. While the QRA Board culture may not be irretrievably ‘toxic’, it is close to it. The culture has been described as misogynistic, closed (unseen by the members), exclusive (not open to outside experts), inequitable (controlled by factions), entitled (appointment to the Board is based on length of time or achievements in the sport), insular (not open to new ideas) and pedestrian (focussed on short-term issues, not on the strategic health of the sport). Long-standing grievances amongst Board members contributes a corrosive atmosphere to Board meetings and leads to out-of-session self-interest pursuits. These characterisations should be of concern to the Board as they represent a source of disdain and distrust by the membership.

Equity and diversity are regulated requirements and now standard attributes of successful organisations. If the sport is to be representative of the community from which it draws membership and support, then these qualities should be reflected on the Board. Allegations of unacceptable behaviour by Board members – bullying, discrimination and harassment – will inevitably surface if the Board does nothing to change its culture.

Recommendation. *Adopt a more equitable policy of inclusion and openness and balance the Board membership accordingly.*

Recommendation. *Training and recurrent awareness sessions in equity and diversity, unacceptable behaviour, and discrimination should be requirements for QRA Board members to be deemed current and competent to perform their roles. The standards of behaviour in relation to these matters should be articulated in appropriate policies and applicable to all QRA members. The Board should appoint an equity and diversity advisor to assist Board development and decisions.*

Many survey respondents expressed anger at the lack of transparency in the QRA. Good communication with members is a necessary and positive tool in the development of organisations. Gaining the willing cooperation of members, especially to support Board business, is more difficult when there is poor communication. Some members said they had given up supporting the Association because of a lack of access to, and understanding of, Board business. Others had become disinterested in supporting the Association because of a sense of helplessness or a perceived lack of Board interest in the membership’s ideas.

Recommendation. *Develop a communications plan that informs members of Board dealings and decisions.*

Generally, there is a sense of disenfranchisement being felt by the membership – a practical separation of the members from their sport’s peak guiding body. Many respondents said that they feel undervalued or discounted, or that nothing will change for the better. They are disconnected from any meaningful collaboration in the sport’s activities and have little confidence that any contribution they may make is worthwhile. The most common solution offered by respondents to correct this problem is to change the Association from an incorporated body to a company limited by guarantee. The relative merits of each of these options would be a matter for discussion by the Board (in consultation with the membership), but the key reason for the recommendation to change, **and important message for the Board to acknowledge**, is so that members can have a direct vote on who represents them at the leadership level of the Association.

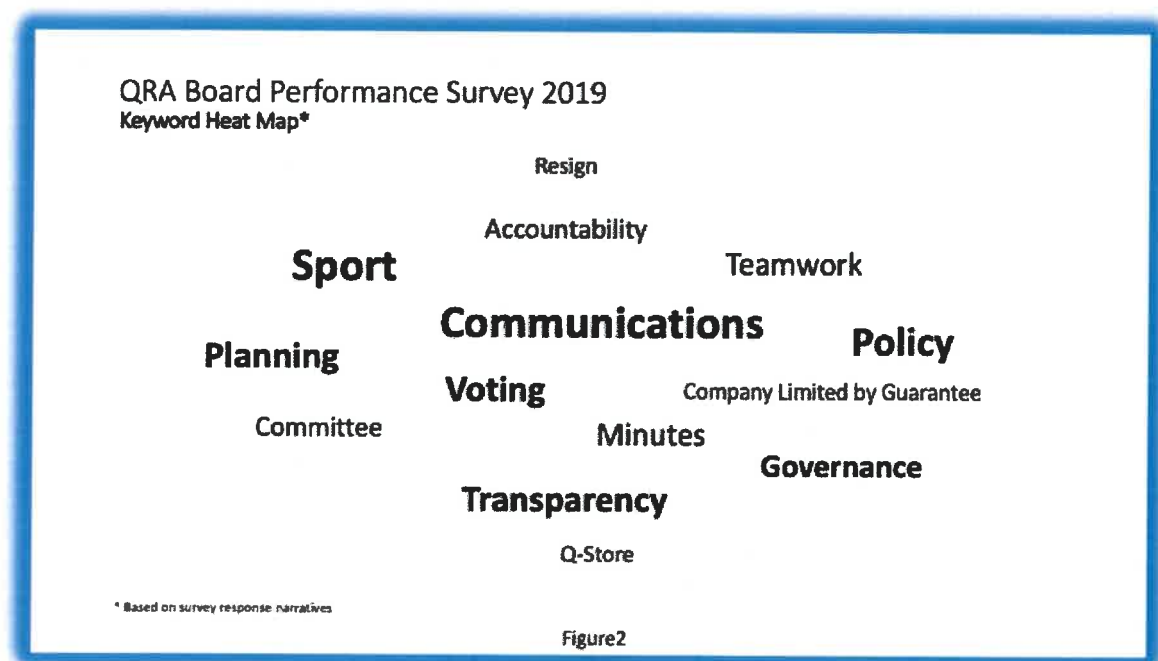
¹² This phrase was originated by Peter Drucker (1909 – 2005), an American management consultant, educator, and author, whose writings contributed to the philosophical and practical foundations of the modern business corporation. The phrase was later made famous by Mark Fields, the President at Ford from 2014 - 2017.

In relation to the desire for a directly elected QRA Board, members noted that the current organisational arrangements supplanted the once universal suffrage of the QRA membership. The change was designed to correct a perceived gerrymander that favoured 'city' over 'country'.

***Recommendation.** The QRA Board, in consultation with the membership, should consider the merits of changing the Association's rules and organisational structure to allow a directly-elected Board, ensure equity across the geographic displacement of the membership, and provide clear lines of responsibility and accountability between the leadership, management and membership representatives of the Association.*

Keyword Heatmap

The sentiments of the membership should be understood by the Board and used to guide progress. Figure 2 is a keyword heat map indicating the membership's areas of relative concern.



PART 3 – ANALYSIS AND ASSESSMENT¹³

General

Notwithstanding the best efforts of the QRA Board to move forward, the Association is at a crossroads in its development. Its organisational structure is considered no longer optimum for the proper running of the Association or for the positive development of the sport. Also, it is doubtful that the Association is meeting to a satisfactory level all of its stated objects (Reference C, page 3), especially those relating to benefiting the community generally and, in particular, the requirement to represent the views and wishes of the members. It may be that some of these objects are obsolete or in need of review.

In truth, the moment of departure from a small grouping of like-minded sports enthusiasts to become a multimillion-dollar enterprise occurred some time ago, but the QRA Board, Council and Management have remained subject to organisational structures suited to lower-level club type arrangements. Earlier changes to the rules and organisation to achieve the current arrangements were motivated primarily by a perceived need for equity between city and country members' interests. While this may have been a useful device at inception, it is no longer the case. This is reflected in declining membership, declining revenues, functional confusion, and the negative views of the membership.

Legal Structure

Many members reported that the current legal structure as an Incorporated body in the State of Queensland is no longer suitable for the QRA. One solution offered is to reform as a Company Limited by Guarantee (CLG). Members advocating this change believe it is this legal structure that will return control to the membership in the form of direct voting rights, especially in relation to the election of the QRA's leadership.

A change in the nature of the QRA's legal structure should be a membership decision. However, any decision to change would fall, under the current rules, to the Council. The suggested change is a complex, time-consuming and costly proposition. In addition, there are increased responsibilities placed on a CLG that the QRA and members would need to consider carefully. Changing the QRA's legal structure for the sole purpose of ensuring voting rights for members may not be the best solution when simpler modifications to the rules remains an option – still a Council decision. However, if the QRA needs a more formal structure to better manage its breadth of operations and to accommodate further growth, then the CLG option may be warranted. A short review of the main attributes of each legal structure model is at Annex C.

Recommendation. *The QRA Board, in consultation with the membership, consider the merits of either changing the Association's governance model to become a Company Limited by Guarantee, or adopting a simpler rule change to ensure universal suffrage for the membership.*

Organisational Structure

The QRA organisational structure has evolved from the legal structure and rules of the Association. Many respondents agree that the current organisational structure is no longer effective. The primary concern is with the role of the Board which is believed to be out of touch with the membership. The Council was not criticised to the same degree, but this could be due to the survey being focused on the Board's performance. It is fair to say that frustrations at the lack of communication with members is as much the fault of the Council as it is the Board's. And some believe their Councillors are unrepresentative of their Zones.

¹³ Based on information and data gathered for the review of performance.

The current organisational structure was designed to provide representative parity across the Association. However, there is a strong opinion amongst respondents that 'Country' now dominates the Board and its decisions – the exact opposite circumstance that gave rise to the current organisational structure. This assertion may or may not be true. The conclusion, however, is that the structure has outlived the rationale for creating it and a change should be considered that unites the Association.

Three proposed alternative QRA organisational structures are shown at Annex D. These are 'strawman' proposals for discussion, based on first-principles (clear authorities, divisions of responsibility and accountabilities). They are designed to highlight how a different approach might work to assist the QRA repair brand damage and move forward. They will no doubt require refinement and development before settling on a suitable structure – if this is possible at all. Nonetheless, considering 'alternate worlds' is a legitimate analytical technique for understanding current problems and finding new and better solutions.

Recommendation. Consider a different organisational structure that incorporates clear authorities, divisions of responsibility and accountabilities and adopt changes that best suit the QRA strategic objectives.

Leadership

The leadership functions of the QRA are diffused and ineffective. It is likely that the QRA rules and organisational structure have contributed to this situation. The lack of clear lines of responsibility at the enterprise level has drawn the Board's collective focus downwards and inwards, away from its strategic responsibilities, and the Association is suffering a general decline as a result.

The Board and Council construct has become dysfunctional. The current arrangements mean that the Council ultimately controls the QRA enterprise, or should, but it is not active in directing the operations of the Board and does not appear to be held to account in any formal and systematic way. The Council meets infrequently and tends to conduct business out-of-session (with little transparency) including on key decisions such as large financial investments and Board appointments. Council's decisions are not generally informed by, or communicated to, its respective Zone constituencies. The nine elements of its role are variously to 'receive', 'consider' or 'review' Board business with no real responsibility to act, other than to give direction to the Board. In effect, the Council holds veto over the Board's decisions, but does not lead the Association or the Board in any active way.

Compounding this relationship is the authority of the Council to appoint or remove Board members. Meanwhile, the Board, who has to implement Council's infrequent and unclear directions operates under the constraint that the Council ultimately runs the show. This is exemplified by the President being the Council's representative on the Board. In other words, there is no separation between these entities and the divisions of responsibility are blurred.

The allocation of portfolio responsibilities to Board members is indicative of a small organisation's structure rather than a corporate or multimillion-dollar enterprise. The role of the Board in larger organisations is to provide strategic direction, make policy decisions, preserve the enterprise reputation, manage risk, and be accountable to the base – be it the shareholders or members – for the overall performance of the enterprise. In the case of the QRA, there appears to be confusion of authorities between a portfolio holder and the Executive Officer (EO), at least in some cases. This means the portfolio holder's authority over his/her portfolio can be in conflict with the EO's responsibilities to manage staff. This can create a dangerous gap in supervision and performance and make it difficult to hold anyone to account.

The EO is used more as a Board and Council Secretariat – which is authorised in the rules – and spends much of his time managing both. This is a debilitating constraint on the EO's ability to

manage his diverse business operations – a span of control, it should be noted, that is very large and complex.

The problems of the QRA's leadership arrangements are observable in practice and in QRA outputs. The lack of coherence between the strategic plan and routine Board business, the Board's tendency to prefer dealing with tactical issues, the poor state of important policy documents, internecine rivalries, and a general dissatisfaction expressed by the membership all point to a poor leadership model and practices.

Competent leadership is critical in any enterprise. Its form and style can vary depending on the operating environment, circumstances and desired outcomes. However, successful leadership is characterised by trust, mutual respect, unity of purpose, and clear divisions of responsibility. Collegiate methods (especially selection and appointment to positions) are useful to a point and consensus in decisions, while preferred, is not always achievable. In the absence of consensus, choosing to maintain the status quo is often an abrogation of leadership responsibilities.

The QRA lacks focus on a central objective, or organising device, against which decisions are considered and made. There is a tendency to avoid strategic thinking and planning, or the development of contingency plans for unforeseen events. The QRA is inherently vulnerable to shocks, such as the loss of revenue from the cessation of landfill dumping – for which a mitigation strategy should have been in place. More of these 'Black Swan' events are possible in the future and the Board should be assessing their likelihood, consequences and mitigations. Risk management is something best done before an event, not after the fact.

Decision boundaries (divisions of responsibility) should be designed to allow the leadership to get on with running the Association. In general terms, a properly functioning (large or complex) organisation such as the QRA should have the following entities:

- **Board¹⁴** – responsible for setting the strategic direction and objectives and monitoring their achievement. The Board sets the tone for the whole enterprise in terms of its standing in the community, in the development the organisation's primary interest (sport) and is responsible for maintaining a strong and positive enterprise reputation. This entity should be given *mandated authorities* and be accountable to a mandating entity (the membership). The head of this entity should be elected directly by the membership.
- **Support or Executive¹⁵** – responsible for assisting the leadership to conduct research, coordinate and consider proposals, and develop policies for the Board's approval. This entity would be given *delegated authorities* and commonly comprise sub-committees raised and disbanded as necessary. It would draw necessarily on the general membership's capacity and capabilities. This head of this entity should be appointed by, and accountable to, the Board for progress against set objectives and milestones.
- **Operations** – responsible for the day-to-day management of operations and business activities that support the proper functions of the enterprise's business. The head of this entity, as an employee, should be given *specified authorities* in order to establish clear boundaries and limits of responsibilities, and to protect against interference by other entities. This entity is accountable to the Board.
- **Specialist Functions.** Secretary, Treasurer (or Chief Financial Officer), Strategic Communications/Media Liaison, Audit, Advisory Group (either voluntary or contracted), and

¹⁴ This could be the Executive Council as shown in Annex D, Option 3

¹⁵ This could be the Board of Management as shown in Annex D, Option 3

Competitions. These entities are variously elected, appointed or contracted depending the size and complexity of the organisation. Their authorities vary depending their role.

- **Mandating Entity.** This is most commonly the membership who can vote directly for its leadership, or other prescribed entities, at regular intervals and on other key decisions as required or determined.

***Recommendation.** Define leadership roles and responsibilities. These should be based on the complexity of the QRA's operations and outputs, and use three levels of authority – mandated, delegated and specified authorities.*

***Recommendation.** Select Board Members, especially the Board's President, who have leadership experience and qualifications.*

***Recommendation.** Conduct leadership development.*

Governance and Compliance

Generally, the Board's adherence to government regulations for Incorporated associations is meeting a minimum standard. There is a committee structure (Board and Council) that does make decisions and manages the Association. It holds regular meetings and an AGM each year and lodges financial statements. Minutes of the AGM and other Board meetings are recorded. And a member register is maintained.

However, the standard and quality of practices could improve, especially in relation to the procedural aspects of Board meetings. Better preparation in terms of the availability of Board papers related to a forecast Agenda would lead to clearer deliberations and decisions as well as more comprehensive Minutes. This, in turn, would lead to better transparency, especially if the consultation process was improved – which it should be. Closer observance of the QRA rules would strengthen many lax governance practices. In particular, a closer alignment between the QRA's objects, its strategic plan, and Board business would provide a more robust result.

***Recommendation.** The Board should immediately seek to tighten its Board procedures. The appointment of an experienced Secretary dedicated only to supporting the Board should be a priority.*

Some Board members' personal behaviours if subject to formal complaint may well represent a risk to the individuals concerned, to the Board President, and to the QRA's reputation.

Allegations of fraud raised during this review have been either not raised formally, have not been dealt with appropriately, or have been otherwise suppressed. This is a significant area of risk for the Board and for the membership's funds. The Board should act in a manner that puts its probity beyond reproach and protects the QRA's financial interests.

***Recommendation.** Fraud and ethics policies should be developed and adhered to. Statements of financial and other interests by Board members should be updated annually. Appropriate training should be mandated before joining the Board with annual refresher training undertaken by all Board Members.*

It is understood the Queensland government has suggested the QRA evolve such that the management of the Belmont Shooting Complex is done separately to the management of the sport. The Board and Council's consideration of this suggestion is unclear, but it should be understood that if the government has indicated this split is preferable then the QRA should consider it carefully. A

proactive analysis of courses of action and development of a preferred solution would be better initiated by the QRA, rather than having a solution imposed that may not suit the organisation.

***Recommendation.** Address the issue raised by the government and develop a way ahead for presentation and concurrence.*

Succession Planning

There is no evidence of succession planning for Board positions. Identification and recruitment of Board members should be considered well before there is a need to replace any particular member. Often, recruiting the right person can be a lengthy process but is necessary if the right mix of skills and proper fit of Board members is to be achieved. At the level of QRA operations, it should be usual practice to call for expressions of interest and invite applications from prospective Board members. An interview process¹⁶ should be undertaken with the results presented to the Board for approval. This approach may be more important in for-profit organisations, but the QRA, as a multimillion-dollar enterprise, would benefit from adopting at least some of these due diligence checks before appointing its Board members, especially to the position of President. Doing so will improve Board performance overall, aid transparency, and build confidence in the membership. In due course, should a different organisational structure be adopted, members may have to vote directly for Board members who have been vetted beforehand.

***Recommendation.** The Board should immediately implement a succession planning process. The recruitment could be outsourced.*

Competitions Management

A significant cause for consternation revealed during the review process concerned the policy and procedures around various team selections. This is one of the key aspects of QRA's annual program that absorbs considerable time and effort. It was argued that the Board is too closely involved which led to biased selections. While the Board may wish to retain the final decision on team compositions, much of the development work could be delegated to a Competitions Director. This would relieve the Board to focus on more strategic issues and provide sufficient separation from the process for it to be, and be seen to be, objective.

***Recommendation.** Appoint a competitions Director to manage team selections.*

QRA Board Future Focus

There are compelling reasons to change the nature of the QRA Board's functions. However, change is a difficult process. The problem with doing nothing, however, is that the situation invariably worsens. Any shift will be a matter for the Board (and Council) to consider, but both entities would be well-advised to lift their sights and start thinking strategically. This is not necessarily an easy thing to do and assistance from experienced leaders and practitioners will be key to resetting the Board's focus. The first steps will involve establishing a vision for the future and articulating a clear pathway to achieve it. Establishing the right policies and plans will be important to success, as will identifying the priority order for each one.

The Board must first decide if it is fit for purpose. Is the size of Board enough for its span of control? Does the Board have the right collective skills set? Is there sufficient confidence to delegate tasks? The Board should also consider the business of the QRA. Should the QRA diversify or expand its operations, or should it contract and consolidate until it is in a stronger position to grow with confidence? Should the QRA amalgamate with other entities? Are strategic alliances with other sporting or like-minded organisations worthwhile?

¹⁶ This can be done internally or out-sourced.

There will likely be the need for concurrent activities, including day-to-day operations management, competitions, investment and other financial activities, and general Association coordination. The challenge for the Board will be to determine what it needs to retain and what it must delegate. The Board cannot do it all, at least not well. Delegation requires trust between all parties. It must also be done such that the delegate has the resources to achieve the desired outcome. Delegated tasks must be specific, measurable, achievable, realistic, and time-bound.

Whatever is decided the Board's role is to be an active participant – leader – in the Association's development. Being passive, by design or choice, consigns the Association and the sport to a decaying orbit.

***Recommendation.** The Board develop new corporate statements – Raison d'être, vision, goals and objectives. Goals and objectives should have a timeline for achievement as well as measures of effectiveness and a monitoring regime.*

Site Users

A number of concerns were raised around the operation of Site Users. These concerns included the mystery around its financial dealings and how this element related to the QRA. The arrangements appear on the surface to be loose and could expose the Board to criticism or investigation if not properly managed. This is covered in more detail under Financial Issues below.

Q-Store

A number of concerns were raised around the operations of Q Store, but these were mostly uninformed grumbles. This supportive source of shooters' supplies is a jewel in the QRA's crown. It is perfectly located for convenience to members and is open at times that suit most shooters. It is run by experienced, efficient and friendly staff who demonstrate the hallmarks of excellent customer service. Its online store is an additional convenience for members.

However, the Q Store does suffer occasionally from inconsistencies in market forces. It operates in a niche market that is competitive and, actually, global. Its supply chain is subject to the vagaries of international suppliers, import duties, and foreign exchange fluctuations. It is sometimes difficult to match supply and demand without carrying excessive stocks of a wide range of items, which the Q Store is unable to do without accepting increased risk (spoilage) and tying up funds that might otherwise be invested. Despite its potential, the Q Stores revenues are declining. It should be noted that the Q Store has continued to provide a 7.5%-member discount on selected products. As a key revenue source and important service to the membership, the Board does not appear to have focused too much attention on the Q Store. This is addressed in more detail under Financial Issues below.

Financial Issues

The financial state of the QRA is probably the most important indicator of the Board's performance. The QRA's financial statements (contained in Reference I) for the year ended 31 December 2018 report significant losses since the last profit in 2015, revealing a substantial change in the business and operating fundamentals that has either escaped the Board's attention, or has not been explained adequately by the Board.

The QRA's independent financial report completed by Nexia Australia Auditors (Reference I, paragraph 2.b.) for the year ending 31 December 2018 shows the QRA's overall financial position in decline. It identifies significant accounting and auditing issues including:

- Increasing year-on-year losses for 2016 (\$.133m), 2017 (\$.184m), and 2018 (\$.198m).
- The need to "carefully monitor" all differing revenues and costs (and cash flows).

- A \$.731m decrease in revenue mainly from declining Q Store sales (\$.302m) and reductions in Earthworks fees and levies (\$.429m). This was offset somewhat from an increase in government grants (\$.107m).
- Unrealised losses on the share portfolio (\$.034m)
- A decrease of cash at bank (\$.203m)

The Site Improvement Fund and Site Users Fund were qualified in the Financial Statement (Reference I, Paragraph 2. c.) and need to be reviewed for compliance.

The Financial Statement identified an increasing economic dependency on the membership, government grants, the Site Improvements Fund and Site Users Fund (Reference I, Paragraph 2. d.). This is cause for concern given declining membership and the fact that the two funds referred to are not recorded on the QRA Statement of Financial Position.

There is sufficient evidence in the financial statements indicating an urgent need for the Board's close attention to remedy the declining financial health of the Association. It is not too early to seek expert assistance.

Recommendation. Immediately address the causes of the decline in sales (revenues) and develop new strategies if necessary. In particular, consider the assistance of commercial or retail expertise on the Board to guide the QRA's revenue development.

Recommendation. Review the operations of Site Users especially in relation to its financial dealings and how Site Users relates to the QRA. Any financial statements accepted by the QRA should demonstrate a lineage to original funds raising and investment decisions (for example a Trust Deed for monies invested by Site Users) and be subject to proper audit.

One option to arrest the QRA's declining financial position is to raise fees for some users. In response, there was a general concern at the efficiency of some operations. For example, the cost of grounds maintenance, especially in relation to the mowing costs for the range, was cited. While members may not be aware of the overall costs of maintenance and how the efficient use of plant and equipment may contribute to an overall economy of operations, it is reasonable for them to draw the conclusion that range maintenance could be achieved at a more competitive cost. The details and costs of grounds maintenance operations should be explained to the membership.

The Metropolitan Districts Rifle Association (MDRA) has challenged the QRA's intention to raise shooter levies arguing that an increase only affecting MDRA members is both inequitable and an inappropriate solution to the cash flow issues that gave rise to the decision. It is important for the QRA Board to be transparent in decisions affecting members' financial contributions to the Association. It will be a matter of Board judgment as to when the membership is consulted or informed but, as a general rule, consultation prior to decisions more closely equates to evidenced-based decision-making practices, improves transparency, and builds confidence in the Board's decisions being fair.

Recommendation. The QRA Board should provide a detailed rationale for all financial decisions to members, including the costs of grounds maintenance.

PART 4 – SUBSEQUENT ACTIONS

General

One of the first tasks for the QRA Board will be to prioritise any actions flowing from this report. This could be difficult when considered in the context of their voluntary status, the volume of recommended corrective actions, and the identified skills gaps. Nonetheless, the Board is responsible to make best endeavours to rectify matters in the interests of the sport and the membership. The Board could use a number of devices to assist its work:

- Call for greater membership participation on sub-committees established by the Board to address specific issues.
- Outsource specified tasks to individual members who possess relevant expertise or experience.
- Expand the Board.
- Establish an Advisory Board consisting of senior professionals and practitioners who can mentor the Board and assist it to navigate complex or difficult challenges. The Advisory Board would normally be consulted outside the Board Meeting process.
- Seek input from an interim Board that could consider issues in conjunction with the Board at its meetings and provide on-the-job development for the Board.
- Contract management consultants to review the most complex issues.

Recommendation. Consider these options and others to supplement Board capacity.

Continual Improvement

In the interests of good governance and good management, the QRA should continually check its progress against key performance indicators. In addition, the Board should periodically invite external review of its performance as a Board.

Recommendation. Develop KPIs and measure achievement of milestones at each Board meeting. Initial KPIs should include the recommendations in this report.

Recommendation. Conduct the Queensland government's Club Health Check within 12 months of this report being tabled.

Consultant Reports

KPMG management consultants conducted a review of the QRA in 2016.¹⁷ The QRA separately engaged external consultants Otium Planning Group in 2018 to conduct a review of the future governance arrangements for Belmont Shooting Complex (Reference N). Most recently, the QRA Board has instigated this review. The similarities between all three reviews' recommendations is striking.

¹⁷ The QRA was one of a number of sporting associations reviewed by KPMG. These reviews were instigated and funded by the Queensland government over a three-year period and were tied to the government's Sport Development funding grants.

It is evident that the Board has not systematically pursued rectification of deficiencies identified in the earlier reports. While some external constraints on progress exist, it could be reasonably inferred from this assessment that the Board lacks the wherewithal – as described above – to pursue these recommendations. This tends to support the need for changes to the rules and structures.

***Recommendation.** The membership should be advised of the existence of all reviews and their recommendations. The Council should take heed from the negative trajectory evident in the reviews and either act to fix the problems, which may include a change of rules and structure, or cede control to the membership who may be able to do so.*

PART 5 – SUMMARY OF RECOMMENDATIONS

General

In addition to the recommendations below, *the Board should release this report unedited and unredacted to QRA members* no later than 1 week after its consideration at the first Board meeting after receipt of this report.

Skills Audit

Recommendation 1. Conduct a quarterly review of the Board's own performance and commit to genuine adjustments to reflect the factors necessary for effective board performance.

Recommendation 2. Develop a matrix of required skills and recruit directors to meet these requirements.

Recommendation 3. Consider leadership and other relevant professional development opportunities for QRA Board members.

Recommendation 4. Consider the inclusion of additional board members from outside the sport whose expertise is in complex organisation and board management, specific professional skills, or have experience in reinvigorating stagnating enterprises.

Policies

Recommendation 5. The QRA Board should as a matter of priority review its policies for relevance and currency and update them. The QRA Board and Council should determine to conduct business in accordance with these updated policies.

Procedures

Recommendation 6. The QRA Board should as a matter of priority review its procedures, especially in relation to financial dealings, and implement an open and transparent system for controlling Board business.

Recommendation 7. The QRA Board should consider the appointment of Secretary to manage Board business, including meeting coordination, Minute writing and distribution, and routine Board correspondence.

Culture

Recommendation 8. Adopt a more equitable policy of inclusion and openness and balance the Board membership accordingly.

Recommendation 9. Training and recurrent awareness sessions in equity and diversity, unacceptable behaviour, and discrimination should be requirements for QRA Board members to be deemed current and competent to perform their roles. The standards of behaviour in relation to these matters should be articulated in appropriate policies and applicable to all QRA members. The Board should appoint an equity and diversity advisor to assist Board development and decisions.

Recommendation 10. Develop a communications plan that informs members of Board dealings and decisions.

Recommendation 11. The QRA Board, in consultation with the membership, should consider the merits of changing the Association's organisational structure and rules to allow a directly-elected Board, ensure equity across the geographic displacement of the membership, and provide clear lines of responsibility and accountability between the leadership, management and membership representatives of the Association.

Legal Structure

Recommendation 12. The QRA Board, in consultation with the membership, consider the merits of either changing the Association's governance model to become a Company Limited by Guarantee, or adopting a simpler rule change to ensure universal suffrage for the membership.

Organisational Structure

Recommendation 13. Consider a different organisational structure that incorporates clear authorities, divisions of responsibility and accountabilities and adopt changes that best suit the QRA strategic objectives.

Leadership

Recommendation 14. Define leadership roles and responsibilities. These should be based on the complexity of the QRA's operations and outputs, and use three levels of authority – mandated, delegated and specified authorities.

Recommendation 15. Select Board Members, especially the Board's President, who have leadership experience and qualifications.

Recommendation 16. Conduct leadership development.

Governance and Compliance

Recommendation 17. The Board should immediately seek to tighten its Board procedures. The appointment of an experienced Secretary dedicated only to supporting the Board should be a priority.

Recommendation 18. Fraud and ethics policies should be developed and adhered to. Statements of financial and other interests by Board members should be updated annually. Appropriate training should be mandated before joining the Board with annual refresher training undertaken by all Board Members.

Recommendation 19. Address the issue raised by the government to split complex and sport management and develop a way ahead for presentation and concurrence.

Succession Planning

Recommendation 20. The Board should immediately implement a succession planning process. The recruitment could be outsourced.

Competitions Management

Recommendation 21. Appoint a Competitions Director to manage team selection.

Board Future Focus

Recommendation 22. The Board develop new corporate statements – Raison d’etre, vision, goals and objectives. Goals and objectives should have a timeline for achievement as well as measures of effectiveness and a monitoring regime.

Continual Improvement

Recommendation 23. Develop KPIs and measure achievement of milestones at each Board meeting. Initial KPIs should include the recommendations ion the report.

Financial Issues

Recommendation 24. Immediately address the causes of the decline in sales (revenues) and develop new strategies if necessary. In particular, consider the assistance of commercial or retail expertise on the Board to guide the QRA’s revenue development.

Recommendation 25. Review the operations of Site Users especially in relation to its financial dealings and how Site Users relates to the QRA. Any financial statements accepted by the QRA should demonstrate a lineage to original funds raising and investment decisions (for example a Trust Deed for monies invested by Site Users) and be subject to proper audit.

Recommendation 26. The QRA Board should provide a detailed rationale for all financial decisions to members, including the costs of grounds maintenance.

Subsequent Actions

Recommendation 27. Consider options to supplement Board capacity.

Recommendation 28. Conduct the Queensland government’s Club Health Check within 12 months of the tabling of this report.

Recommendation 29. The membership should be advised of the existence of all reviews and their recommendations. The Council should take heed from the trajectory evident in the reviews and either act to fix the problems, which may include a change of rules and structure, or cede control to the membership who can do so.

PART 6 – CONCLUSION

The QRA Board should be congratulated for its courage in deciding to undertake this review of its performance. Doing so has exposed some weaknesses in the policies, procedures and culture of the Board but it also demonstrates good leadership.

The review is timely. The QRA is at a crossroads in its history and needs to change to ensure long-term sustainability. The imperative to do so is reflected in declining membership, declining revenues, functional confusion, and the negative views of the membership as reported in the respondents' survey submissions and interviews.

The design of the review has inherent limitations and it may be true that different scores would be revealed from a different design or a more complete survey of the whole QRA membership. However, the survey as it was conducted, including interviews and document analysis, has revealed sufficient evidence of deficiencies and transgressions that should not be ignored. In particular, any doubts around the QRA's financial dealings should be investigated to confirm the actual state of investments, the legality of other financial instruments, and the manner in which financial decisions are made. 'Arm's length' is a sound principle where Board financial decisions are involved, as is 'due diligence checks', as well as full auditing and accounting. The Board must now accept that the nature of the QRA's business has reached a point of value and complexity that require more formal skills and qualifications in order to discharge its duties in accordance with all relevant laws and regulations. 'Good faith' endeavours may be the minimum requirement for an Incorporated association, but they won't replace professional expertise. And it won't protect against negligence, or any of its consequences.

The Board's (and Council's) performance is constrained by the rules and structures within which it currently operates. In some ways, these constraints are a key cause of the QRA's inability to function effectively. Changes to empower the Board and enable it to run the business are necessary. The current structure may be tweaked, or it could be redesigned. Whatever course of action is taken in this regard, the Board should ensure, as far as is practicable, that divisions of responsibility are clear between different entities, and that authorities are matched to responsibilities and accountabilities. At the very least, the strong sentiment expressed by the Membership for universal suffrage should be respected. The Board (and Council) exists for the members' benefit, not the reverse. This may not necessarily be improved through a change to the legal status of the Association, but changes to the Association's rules and organisational structure are overdue.

Other key areas of the Board's performance identified for improvement include communications, a sharper focus on the sport, transparency in all dealings, stronger governance and better planning and policy development. These are not unreasonable demands and they should be the 'bread and butter' of Board business. Board processes, also, are in need of repair and the appointment of a Secretary to assist the Board should be a high priority, regardless of the eventual organisational structure adopted.

In many ways the Board is out of its depth. This is not an unusual situation in the life of successful Associations. In the QRA's case, its value and wide-ranging interests, its span of control, its multifaceted operations, and its broad geographic displacement reflect a complexity in the organisation that requires the input of professional expertise to manage. It is doubtful that the complete range of these required skills is available internally from QRA volunteers.

Some issues will be easier to fix than others. Priorities that can be addressed immediately include the Board's culture, its processes (easier with a dedicated Secretary), and communication with the membership. Progress difficulties could arise depending on Board members' personal acceptance of responsibility and their self-perception of performance. The survey shows there is a substantial disconnect on this latter point, but it must be addressed if the Board is to regain credibility and the trust it needs to function properly. A certain amount of humility and respect for the membership will greatly assist any transition and will be important foundation stone for the future.

Numerous options exist to assist the Board to adjust. The use of an advisory group is probably the easiest and best way to work through difficult problems. The Board could also utilise external directors who would bring much needed expert qualifications and experience to round out the Board's skills requirements. The external expertise required includes, but is not limited to, retail, equity and diversity, legal and financial, environmental and strategic thinking skills. The Board should also consider its collective and individual leadership development needs.

Finally, this review and report should be considered as a baseline for further development. Regular formal checks against corporate statements, goals and objectives and, of course, constant monitoring of the QRA's financial health should be part of the Board's routine business.



Brigadier (Retd) Ian Errington AM, CSC

3 May 2019

Annexes

- A. QRA Board Performance Review 2019 Skills Audit
- B. QRA Board Performance Review 2019 Online Survey Results (Scores)
- C. Legal Structures
- D. Queensland Rifle Association – Proposed Organisational Structure Options 1, 2, and 3
- E. Survey Questions 9 And 10 Narrative Responses

Enclosures

- 1. Queensland Rifle Association Board Performance Review Terms of Reference
- 2. Australian Institute of Company Directors Key Competencies for Directors