

MANAGEMENT OF THE ASSOCIATION FORMATION PROCESS

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Purpose: The aim of the paper is to identify the process of creating an association and to define a model of the process of creating an association that is registered in the National Court Register, as well as to show the role played by the entity managing this process. On this basis the author attempts to answer the research questions: What is the correct model of the association formation process and whether, and if so, to what extent the activities undertaken by the entity managing the association formation process affect the possibility of its creation and the subsequent functioning of the association?

Design/methodology/approach: In order to search for evidence to answer the research questions, the method of legal analysis (normative methodology) anchored in the theory of organisation and management was used, as appropriate for analysing a phenomenon highly determined by legal regulations. The combination of the research method of legal analysis and concepts from the field of organisation and management allows to formulate conclusions on the identification and course of the phenomenon under study, causes and effects of actions taken by the entity managing the process of association formation. The author has used various techniques and tools to collect and analyse data, i.e. participatory observation, legal analysis, analysis of documentation, analysis of judicial decisions and Internet sources.

Findings: The author has identified and defined a model for managing the association formation process and has established the important role of the entity managing this process.

Practical implications: The association formation process management model can be used in practice by those who undertake the management of such processes.

Social implications: One of the basic organisational forms, in which a person can actively influence social life, be creative and realise both his own needs and the needs of others, is the association. The institution of association - as an organisation - seems to be underused by active members of social life. An undeniable problem is the difficulty to direct the process of association creation, there is no popularization of a model of the process of association creation. Therefore, it is necessary to define such a model, perhaps to define a postulate for legislative changes and, above all, to educate and promote it.

Originality/value: The presented analysis is important, because it establishes and shows a model of the association formation process, which can be applied by the entity managing the association formation process, and shows its significance for the later functioning of such an organisation as an association registered in the National Court Register. This research problem, so far, has not been elaborated from the point of view of management science.

Keywords: association management, process management, association organisation.

Category of the paper: research paper.

1. Introduction

In the 21st century, the management of many processes is becoming increasingly complex. This phenomenon seems to be a consequence of the increasing complexity, multifaceted functioning of various organisations. One of such organisations is the association. It is the basic organisational form within which the freedom of association is realised. The freedom of association has been guaranteed by the Constitution of the Republic of Poland (Constitution... as amended; hereinafter referred to as the Constitution of the Republic of Poland). An essential element of every freedom is the possibility to realise it in the way an individual considers appropriate. Such a view on the realisation of the freedom causes that the entity, which has the idea to create an association as an organisation, within which the freedom of association may be realised, faces many problems, has to ask itself many questions, and, as a rule, at the stage of creating the association it has to find the answers, because the proper organisation of the association largely determines its later functioning. The creation of an association is a whole process, a sequence of activities that must be carried out so that the association can not only be created, but also so that it can function properly by achieving certain operational objectives (Schermerhorn, 2008). In this process beside the necessary activities (legal prerequisites) to create the association there can be, and even should be, preparatory (planning) and organisational activities, which will improve the whole process and enable the achievement of the planned goal.

The subject of this research is the management of the association formation process. There is no literature available in management science that addresses the problem of association formation, there is only literature in legal science, which I will use. The specificity and size of this study make it necessary to limit the subject of research to the management of the process of forming an association in Poland, registered in the National Court Register (further on in the paper – KRS). From the legal point of view, associations can be created on the basis of the Law on Associations (The Act of April 7, 1989 – Law on Associations, consolidated text Journal of Laws of 2020, item 2261; in the following, "act" means the Law on Associations without any further specification; "LoA" for short). Apart from this type of associations, in Poland one can create the so-called ordinary associations, which are a simplified form of association and union of associations, associations of local government units and others. The subject of this analysis is the association in its organisational form providing the greatest possibilities of activity, which the mentioned act defines as an "association" – without further specification of its features.

Freedom of association is one of the freedoms guaranteed by the standards of international law. The Universal Declaration of Human Rights of 10 December 1948 already guarantees everyone the freedom of peaceful assembly and association. It also states that no one may be compelled to belong to an association. A similar guarantee of freedom of association is provided for in the International Covenant on Civil and Political Rights of 19 December 1966 and the

Convention for the Protection of Human Rights and Fundamental Freedoms of 4 November 1950, which guarantees that everyone has the right to freedom of peaceful assembly and to freedom of association at all levels, in particular in political, trade union and civic matters (Pisarczyk, 2016).

In Poland, freedom of association is guaranteed not only by international law, but above all by the Constitution and the Law on Associations. The Constitution guarantees the freedom to form and operate associations, trade unions, socio-professional organisations of farmers, civic movements, other voluntary associations, both secular and of a religious nature, and foundations. The guarantee of these freedoms is provided for in the Constitution of the Republic of Poland, both in Article 12 (constitutional principle) and Article 58, which explicitly defines the freedom of association. No association may be formed whose objective or activity would be contrary to the Constitution or an Act. The constitutional guarantee of freedom of association is strengthened by the provision according to which only the court is competent to decide on the refusal to register or prohibition of an association. Other issues, including the types of associations subject to court registration, the procedure for such registration and the forms of supervision have been left to statutory regulation.

2. Preparation (planning) of the association formation process

The first important issue in the process of formation of an association is the choice of the entity which will manage the process. In most cases of decision-making processes, it seems to be advantageous to have one person who manages the process. However, the more complex and multithreaded the process is, the greater the need for participation of other people in the process (Stoner, Freeman and Gilbert, 2001). The fact that the association is a self-governing association of a collegial character and not an entity with a one-person decision-making leadership is not without significance. Therefore, the managing entity should lead the project of creating such an association, with such an organisational structure that it can function without conflict after its establishment. For these reasons, even if the process of creation of the association will be carried out by one person, it must take into account the fact that the subsequent functioning of the association, its management, will have to be collegial.

As the process of the establishment of the association is significantly determined by the legal norms, it seems necessary that the manager himself has the necessary knowledge of the legal limits and possibilities or at least has the possibility of legal consultation. The later functioning of the association may be based on the social work of its members, but undoubtedly the circle of persons with whom the manager of the association should consult some decisions should include a person with knowledge in the field of finance and accounting. Such a circle of

persons potentially gives the possibility to achieve the intended goal – to create an association that will be able to function efficiently and rationally.

It is best for the process of formation of the association, if the person carrying out the process is at the same time willing to be one of the founding members of the association, or at least to be in direct contact with such members. Then the persons who will later manage the formed association will be able to clarify their expectations concerning the functioning of the association. The establishment of these expectations will make it possible to avoid unnecessary activities and complex procedures aimed at changes in the future, and the organisation of the association from the beginning will be able to meet the expectations of its members. In this way one of the main objectives of the entity managing the association formation process will be fulfilled, i.e. to create such an association as the future members of the formed organisation expect.

The definition of the association's objectives and the means to be used to achieve them is not, despite appearances, a simple task, and their determination is essential for the correct implementation of the project, which is the creation of a specific, "tailor-made" association.

An association is a type of voluntary association, self-governing, permanent and non-profit-making (Suski, 2018; Barański, 2019). Therefore, if people would like to pursue profit-making purposes, the form of association will not be appropriate for the pursuit of their goals. As a rule, the basis for the functioning of an association is the voluntary work of its members, however, an association may employ employees and even conduct business activities, however, the income from these activities may not be distributed among the members of the association, but must be used to achieve its statutory objectives (Wilk, 2019).

An association, like other organisations, is characterised by the features of all organisations, non-public as well as public. Each organisation has a specific system of goals and values and has a specific intra-organisational bond (Kožuch, 2004, 2020). All these aspects must be considered in the planning stage of forming an association. The awareness of the purpose of the association is essential. An association has to enable its members to actively participate in public life, to express their views and to pursue their individual interests. Each association independently defines its objectives, organisational structures, action programmes and adopts internal acts (see Article 10 of LoA). Therefore the manager of the association formation process should determine in particular the answers to the questions:

1. what is the purpose of the association,
2. what name the association will have,
3. where the association's headquarters will be located,
4. what the area of operation will be,
5. what the organisational structure will be - whether field units are to be created,
6. what the authorities of the association will be, their mode of election, their competencies,
7. whether board members will have the opportunity to receive remuneration,

8. how the association will be represented, how it will incur obligations,
9. how membership will be acquired and lost,
10. what will be the reasons for loss of membership,
11. what rights and obligations members will have,
12. what will be the method of determining membership fees,
13. how the association will raise funds,
14. whether the association will carry out economic activities,
15. whether it will apply for public benefit status,
16. what will be the rules for amending the Statutes,
17. will electronic means of communication be used for voting,
18. how the association may be dissolved.

The association, as a self-governing organisation, determines the above-mentioned issues itself. The Law on Associations only in a few aspects imposes certain solutions and provides for limitations. Therefore, the role of the entity managing the process of establishing an association is all the more important and it should act in an organised and not spontaneous way (features of organised activity are presented at Bednarski, 1998).

3. Association formation activities

The model of management process includes planning, organising, leading and controlling. The person who manages the association process must take into account various circumstances, including numerous constraints. The planning of the process has to lead to the definition of the goal, to the determination of future activities, to the development of alternative scenarios, to the determination of step by step what has to be done in order to reach the predetermined goal (Schermerhorn, 2008). Planning must take into account the dynamically changing circumstances. The planning of the association formation process aims to make the necessary arrangements for the relevant circumstances that will allow the smooth and effective implementation of the undertaken activities and procedures aimed directly at the formation of the association. These include:

1. founding meeting,
2. minutes,
3. resolution to establish the association,
4. adoption of the statutes of the association,
5. election of the founding committee or association authorities
6. filing an application for entry of the association in the National Court Register.

The whole process of creating an association ends on the day the decision of the registration court to enter the association into the National Court Register becomes final.

One of the limitations of the association formation process is the collegial nature of the activities undertaken – at least 7 persons (Article 9 of LoA). Therefore, **the entity that manages the process of association formation can only fulfil a planning, preparatory, auxiliary, organisational and streamlining function. However, it has no decision-making competence. It is not a formal decision maker** (Knosala, 2005). Its role is in fact reduced to providing a service, the object of which is to plan and organise the process of establishing an association. The Law on Associations stipulates that the will to establish an association must be expressed by at least seven persons, who will adopt the statutes of the association, elect the founding committee or the authorities of the association. There are no provisions formalizing the organization of the founding meeting. However, it is generally accepted in doctrine and jurisprudence that such a meeting should be organised and formal actions should be taken during it.

The organisation of the founding meeting is an essential activity of the association formation process. There are no legal restrictions that constitute formal requirements for the organisation of such a meeting. There need not be any formal notifications, invitations, nor do they have to be made in advance. However, it is essential that at least 7 persons (natural persons) with full legal capacity and not deprived of public rights be present at such a founding meeting. Natural persons of full legal capacity who are of full age and have not been placed under guardianship have full legal capacity. The age of majority is reached when a person reaches 18 years of age. Full legal capacity is also acquired by women who marry after the age of 16 with the approval of the family court. Only the courts are competent to pronounce guardianship and the deprivation of public rights.

Minors have no right to form an association. They can only belong to associations, they can be members, and even minors between the age of 16 and 18 can exercise active and passive electoral rights, i.e. they can elect and stand for election to the board of directors of an association (Article 3 of LoA). In such a board, the majority must be constituted by persons with full legal capacity. Minors under the age of 16 can exercise the right to vote and stand for election only if the association's organisational unit consists exclusively of minors. If a child is under 16 years of age, he/she must have the consent of his/her legal representatives, i.e. a parent or a legal guardian.

The right to form and belong to associations established in Poland, as well as full internal organisational rights, are also available to foreigners who reside in Poland, on the same principles as Polish citizens. However, if they do not reside in Poland, they do not have the right to form an association in Poland, but if the statutes of an association provide for such a possibility, they may be members of such an association.

The entity planning and organising the founding meeting must be aware of the above-mentioned issues. It should prepare for the founding members declarations on fulfilling the requirements described above, which should be signed by them – they will constitute attachments to a later application for registering the association in the National Court Register.

The founders' meeting should be minuted; the minutes should record the course of the meeting, in particular voting on resolutions and their results. Prepared documents should be in three copies, because two will be submitted to the National Court Register (one of which will be given to the supervisory body) and the third copy should be in the documentation kept by the authorities in the seat of the association.

The list of founding members should include: name and surname, date and place of birth; place of residence and handwritten signature (Article 12 of LoA). If the list of members will also include declarations of Polish citizenship, having full capacity to perform legal acts and not being deprived of public rights (Article 3(1) of LoA), this may be one document, but the declarations may be independent documents.

Continuing the founding meeting, after the issues related to chairing the founding meeting, taking minutes of the meeting, establishing the quorum (at least 7 persons), discussion, it is necessary to proceed to passing resolutions. The first resolution should be the resolution on the establishment of the association (with its name). The second resolution, required directly by the law, is the resolution to adopt the articles of association. Both resolutions may in practice be covered by one resolution on the establishment of the association and the adoption of its statutes. It goes without saying that the draft statutes should be presented to the assembly first. Ideally, this draft should be known to the founding members beforehand and consensus on its content should be reached earlier. Probably the earlier, informal meetings of the initiative group, during which the consensus on the content of the statute and on the selection of the association's authorities will be worked out, will allow for efficient and effective performance of formal activities during the founding meeting. In this respect it should be noted that the larger the number of founding members is (there must be at least 7 persons), the more difficult it is to reach a consensus. On the other hand, the more persons who can make constructive comments on the draft statute of the association, the greater the probability of working out a statute that meets the expectations of the future members of the association. The resolution on the establishment of the association and the adoption of its statutes should be adopted unanimously. If more than 7 persons participate in the founding meeting and not all of the participants voted in favour of the establishment of the association, only those who voted in favour become members of the association, the other persons do not become members of the association and further actions are taken only by the founding members.

If there is no consensus on the content of the statutes and the election of the association's authorities, the founding meeting has little chance of success. The previously indicated problems, which must be analysed in the planning and organisational stages by the manager of the association formation, must be included in the statutes. The constitution is the most important internal legal act, which determines the constitution of the association, its organisation and its mode of operation. Already the first issue – the name of the association – may cause problems. The LoA limits the choice of the name of the association in the way that it requires the name to be distinguishable from other associations, organisations and institutions.

Nowadays, in the times of access to search engine results, it is not difficult to check whether an entity with the name we want to give our association already exists. However, the choice of name is also important from the point of view of the intra-organisational bond and the subsequent relations with stakeholders. The relations of such an entity as an association have a diverse and multidimensional character and the name of the association is undoubtedly important not only for the members of the association but also for the potential stakeholders and the possibility of undertaking various forms of cooperation with them (Sojkin, Michalak, 2018). The name of the association must not be misleading, and in particular it must not misrepresent important social issues and affect the rights of others (Judgment of the Supreme Court – Labour, Social Security and Public Affairs Chamber of 5 December 2013, ref. III SK 10/13, OSNP 2015/1/17; Hadrowicz, 2020). The name is a means of individualizing a specific entity – in this case a legal person. It constitutes its personal good and is subject to legal protection. Distinctness of the name from the names of other entities is also aimed at avoiding confusion e.g. as to the identity of the entity which undertakes certain activities, supervisory activities addressed to the association, correspondence, etc.

The determination of the area of operation of the association depends entirely on the will of the association. It may be a defined area of a given town, a locality, a commune, a district, a province, the whole country, or even other countries or a differently defined area. However, the registered office should be in Poland, it is important due to the scope of jurisdiction of the supervisory authority and the court (Barteczek, 2009). In practice it is assumed that by the term "seat" is meant a locality, but there are no contraindications for the seat to be more precisely defined.

Within the area of activity defined in the articles of association, the association may act as a single structure or may have separate local organisational units. In order to set them up it is necessary to provide for such a possibility in the articles of association. In such a case the statute must define the principles of creation and dissolution of such an organisational unit, its organisational structure, organs, including obligatory board, and the procedure of appointment or election of these organs. A territorial organisational unit of an association may, under certain conditions, obtain legal personality. This issue, however, due to the nature of this article goes beyond the scope of the study.

The association independently determines its objectives, which, however, should be within the framework of the realization of freedoms and rights belonging to public law. The purpose of the association may not be contrary to the Constitution, international agreements ratified with prior consent expressed in a law, or any law. The registration court examines only whether the declared aims and ways of achieving them are lawful – legal in the light of the legal order in force on the day of the adjudication. They may be stated in general terms or in very specific terms. The time in which I am writing this paper brings to mind an example of such an objective: "The goal of the association is to help refugees arriving from Ukraine and residing on the territory of Poland". Whereas the means of implementation: "The association pursues its goals

by acquiring and donating clothing, food, cleaning supplies, school supplies to those in need..." Both the aims and the ways of realising them should rather be defined by type. This will allow more flexibility in the association's activities in the future – in accordance with the statutes.

The founding members are members of the association from the moment of its establishment. The statutes have to define the way of acquiring the membership by other persons, i.e. whether it is done by submitting the membership declaration and the resolution of the management board to accept the association, or whether, for instance, an "opinion", a "letter of recommendation" of a member of the association is required. The conditions, requirements and circumstances that have to be fulfilled for a person to become a member are left to the discretion of the association. The statutes must also define the way of the loss of membership – whether it is done by the statutes and the management board only strikes the member off the list, or whether the resolution of the management board about the loss of membership should be made after a prior hearing of the member, if it is possible. The reasons for loss of membership should be defined relatively precisely and should be a reference to the member's obligations (e.g. obligation to pay membership fees). The statutes should define not only the duties but also the rights of the members.

The functioning of any organisation mainly depends on the creativity of its governing bodies. The Law on Associations requires three bodies. These are: the general assembly of members or the assembly of delegates, the management board and the internal control authority. The general meeting of members is the body, which has a presumption of competence in the event that the statutes (or the law) do not specify the competent body in a given matter. Instead of the general meeting of members, the body of the association may be the delegates' meeting (Article 11(2) of LoA). When establishing an association, the question how many members the association will have should be answered. If it is to be an association with hundreds or thousands of members, it seems reasonable to determine in the articles of association that after exceeding a certain number of members, the body instead of the general meeting of members will be the meeting of delegates. The Act does not specify the number of members of the association from which the delegates' meeting may be a body, nor does it provide detailed rules for the election of delegates.

In spite of the fact that the Law on Associations defines a presumption of competence in favour of the general meeting of the association's members (Article 11(1) of LoA), for the sake of clarity of the division of competences of the association's authorities, the articles of association should define which competences belong "in particular" to the general meeting of the members. Traditionally these competences include: passing the directions of the association's activities, electing and dismissing, completing the composition of the management board and the internal control body, considering the reports of the elected authorities of the association, giving the board the vote of acceptance, passing the budget, passing the membership fees, passing the amendments to the statute, considering the appeals from the resolutions of the management board, passing resolutions on the dissolution of the association,

passing resolutions on all the matters not reserved for the competence of other bodies of the association.

The management board and the internal control body are other mandatory bodies of the association. It is generally accepted that the management board and the internal control body are collegial bodies, elected for a specific term of office, but there are no statutory norms that would exclude the one-person character of these bodies. However, one-person or two-person boards are functionally undesirable. A person, who would act as a one-person board in a situation of indisposition or illness, would in fact make the day-to-day running of the association impossible. A similar situation occurs if the board is composed of two members. Then every resolution would have to be passed unanimously. The optimal solution for collegiate bodies is a three- or five-member board, e.g. you can say that "the board consists of 3 to 7 members". The statutes are to specify the procedure for electing the two bodies, as well as the procedure for supplementing their composition and their competences. Proper definition of these issues will make it possible to overcome difficult crisis situations in the future, which are the consequence of personnel problems. It should be clearly defined who, when and how should convene a general meeting of members (delegates' meeting) to elect people for a new term of office or to fill the vacancy. It should also be specified by what majority and quorum the electing body decides on the election. A simple majority, not a qualified majority, is conducive to an efficient election. Similarly, a quorum, e.g. in the presence of at least half of the association members. Ideally, the statutes should provide for "emergency" solutions in the event of low attendance of members at the general meeting. It should be considered whether to provide that, in the absence of the presence of at least half of the association's members, a simple majority of the association's members present is sufficient in subsequent votes. In this context, it is important to clearly define the manner in which the members are notified of the time and place of the convened general meeting. This will allow the validity of the adopted resolutions to be properly assessed. The above remarks are fully applicable to the convening of meetings of the board of directors and the internal control body.

It is very important to define the competences of the elected authorities of the association. Both the competence of the management board and the internal control body must be explicitly defined in the articles of association in order for the bodies to have this competence. Failure to assign a specific competence to the board of directors or the internal control body means that the statutory presumption of competence set out in Article 11 (1) of LoA in favour of the general meeting of members applies. Therefore, at the stage of enacting the statutes, great care should be taken to define, in particular, the competences of the management board. It is undoubtedly advisable to determine that the competence of the board includes the matters concerning the current management of the association's affairs. With the reservation "in particular" it is possible to try to list them in an extensive manner. Irrespective of the definition of the current affairs, the competence of the board of directors to convene a general meeting of the association's members, to represent the association, to incur property obligations should be

determined. If these issues are not properly specified and only generally assigned to the board, the board will always have to represent the association in its full composition. Therefore, if we want to improve the representation of the association, we can, for example, specify that the board is sufficient to represent the association. Therefore, if we want to improve the representation of the association, we can determine, for example, that the joint statements of two members of the management board are sufficient to represent the association (both in the matters of property obligations and other matters concerning the representation of the association). Of course, we can determine various manners of representation and other requirements depending on e.g. the amount, type of liability or the type of legal transaction. The articles of association shall determine whether the members of the management board may receive remuneration for the activities undertaken in connection with their function, and if so, what the rules for determining such remuneration will be.

Although the LoA Act does not impose these competences on the board of directors, the nature of this body, its relation to the other authorities of the association and the concern about the smooth functioning of the association require that these competences are statutorily assigned to the board of directors. Apart from the mentioned competences, the competences of the management board usually include: realisation of the statutory aims of the association, convening of the general meeting of members, implementation of the resolutions of the general meeting of members, drawing up and implementation of work plans and budget, management of the association's property, adoption of resolutions on the admission of members of the association and exclusion of members of the association, on the acquisition, disposal or encumbrance of property up to certain values, representation of the association outside.

Another body that every association must have is an internal control body (Article 20 of LoA). The Act does not specify its name. Both the name and the mode of its election, supplementation of its composition, principles of operation and competences, are left to statutory regulation. Usually the name "audit committee" is given to the internal control body. Traditionally, the competences of the audit committee are as follows: to control the activity of the association, especially of the management board, to submit post-audit motions to the authorities of the association, to present the report of the audit and its activity to the general assembly of members, to submit motions to convene the meeting of the management board and the general assembly of members, to submit motions to discharge the management board of the association.

Every institution needs adequate resources to function. The statutory principle is that an association bases its activities on the voluntary work of its members. However, there is no doubt that raising funds by the association is necessary in practice for its effective functioning. The minimalist solution is to raise funds from membership fees. The act imposes an obligation on entities establishing an association to determine the manner of obtaining financial means, including establishing membership fees. An association as a legal person (after its registration) has legal capacity and may be the subject of rights and obligations. Its assets may be created

not only from the membership fees, but also from donations, inheritances, bequests, subsidies, from public donations (public collections), from the income from its property and from the income from its economic activity.

The final issues to be determined in the statutes are the rules of amending the statutes and the manner of dissolution of the association. Despite the fact that the manager of the association formation process will do his/her best to structure the content of the statute in the best possible way, it may turn out after some time of the association functioning that it is necessary e.g. to determine additional competencies of the elected authorities of the association, or the members of the association will have a different vision of the association development than the founding members, or they will want to pursue other goals than those for which the association was established. In this case, it is necessary to change the statutes. This competence of the association authorities should be entrusted to the general assembly of members (meeting of delegates). If the founding members wish to ensure a higher stability of the contents of the statute, a certain qualified majority and an appropriate quorum may be stipulated for the validity of the resolution, e.g. a majority of 3/5 of the votes in the presence of at least half of the association members (delegates) entitled to vote. Immediately after the adoption of the change of the articles of association, the management board of the association is obliged to notify the registration court, which, if the changes are made in accordance with the articles of association in force to date, enters the changes into the National Court Register.

Similarly to the competence to change the constitution, the competence to dissolve the association should be attributed to the most important organ of the association – the general assembly of members (meeting of delegates). If the articles of association or the resolution does not state otherwise, the members of the management board become liquidators of the association. If the association is dissolved by a court decision, the court orders the liquidation and appoints a liquidator. The property of the liquidated association shall be used for the purpose specified in the articles of association or in the resolution to liquidate the association. If neither the articles of association nor the resolution on the liquidation of the association specified such a purpose, then the court decides on the designation of the assets for a specific social purpose.

All work and discussion on the content of the association's statutes should be concluded by the founding members passing a resolution on the adoption of the statutes. The statute should be an element of the content of the resolution or the resolution should directly refer to the content of the statute being an appendix to the resolution. The resolution must be passed by at least seven persons.

The next activity undertaken during the founding meeting is the election of the founding committee or the association's authorities. In the current legal status the election of the founding committee should be treated as a "fall-back solution" in case it is not possible to elect the association's authorities immediately. Then the task of the founding committee would be to organise a "general meeting of members" which would elect the management board and the

audit committee. The election of the management board is necessary for the registration of the association in the National Court Register, since pursuant to art. 12 of LoA only the management board has the capacity to submit an application for entry of the association in the National Court Register. Neither the founding committee nor even all founding members acting together have this competence. For this reason the entity managing the process of establishing an association should plan, prepare and organise the founding meeting in such a manner that from among the founding members it is possible to elect the management board and the audit committee, applying the norms set forth in the statute.

The management board of the association is competent to submit an application to the registration court for the registration of the association in the National Court Register. At this stage of the association formation process, the association already has a defined name, statutes and authorities. To the application the management board must attach the statute, a list of founders, including their first names, date and place of birth, place of residence and handwritten signatures of the founders, statements on being a Polish citizen, having full capacity to perform legal activities and not being deprived of public rights, a protocol on the election of the association's authorities. The Board must also indicate the address of the registered office of the association. This address is important both from the point of view of the correspondence during the registration procedure, as well as possible later correspondence from the court, from the supervisory authority or from other public institutions. The application for entry of the association in the National Court Register must be signed by all members of the management board.

The registration of an association with the NCR can be done on paper or electronically. If the association will carry out business activities, it is necessary to submit the application in electronic form. When the management board submits an application for registration of an association, which will not carry out business activities, it must choose the form of submission: on paper or electronically.

If the paper form is chosen, the board should submit two original copies of the documents. If the application is in electronic form, the members of the management board should be able to log in to the Court Register Portal, i.e. they must have accounts established on the Portal, and they must be able to sign the application and the attached documents with a qualified electronic signature or a personal signature. Regardless of the form of the application, the application and additional notifications of data and persons comprising the management board and the audit committee are submitted on official forms (KRS-W20 – basic form, KRS-WK – notification of persons comprising the management board, KRS-WK – notification of persons comprising the audit committee. In the course of the registration proceedings the court may appoint a hearing if it finds it necessary to make additional findings. The proceedings to register an association in the National Court Register are free of charge if the association does not conduct business activity. If all the formal requirements have been met by the management board and the association statute fulfils the statutory requirements, then the registration court

issues a decision to enter the association into the National Court Register and delivers it to the management board at the address of the registered office of the association. After the entry to the National Court Register, the association becomes a legal person and may start its activities.

As it results from the above considerations, the process of registration of the association in the National Court Register is not a simple task, especially if there was a necessity to submit the application for entry in the KRS in an electronic form. At this last stage of establishing an association an indispensable element of the process is an earlier, proper planning, preparation and organisation of these activities, which require knowledge and skills not only in the field of organisation, law, but also in the field of IT.

4. Conclusions and recommendations

The institution of an association as a type of association of persons is a means for the realisation of individual interests, an institution within which the members of an association can express their collective interests. As an institution with legal personality, an association not only has the right to express itself in public matters, but it can also take legal steps to achieve its goal. For example, if the subject matter of an administrative case coincides with the statutory aims of the association, the association may acquire the legal status of a participant with the rights of a party in those proceedings (pending a specific case concerning the legal interest of another person) and support the position of that person or present the opposite position.

A position expressed by a single person is very often not heard enough and is not very important in social or political terms, nor is it heard enough by decision-makers. However, a position, a view, an intervention of an institution which brings together dozens, often hundreds, and sometimes even thousands of people has a greater social and political significance. Statements and positions of such organisations as the Association must be taken into account by political decision-makers, not only of local but often also of regional and even national importance.

Not every association will be able to exploit its potential opportunities. In order for this potential to have a chance to bring the expected results, to fulfil the hopes placed in it, the association must be properly formed. An association which, as an organisation, has been around for decades can become an effective, thriving institution. Effectiveness can only be achieved by a properly conducted process of forming an association. For the association to fulfil the expectations of its members, to act effectively, to achieve its goals, the process of creation of the association must first be carried out correctly. The association can be formed even by persons, who do not have special predispositions in this field, but an effective association that achieves its goals can be formed only by persons, who are aware of the need to discuss, to analyse the variants, to choose particular structural solutions of the formed association,

to be aware of the importance, significance and consequences of the choices to be made in the process of the association formation, at all stages of the process management. Only an association "tailored to the expectations and needs" will have a chance to be effective and creative in the social life, where many associations function. The manager of this process must analyse the needs of potential members of the association, properly define the objectives, ways of their realisation, properly define the organisational structure of the bodies and ways of fundraising.

The presented model of association formation will allow the manager of the process to achieve the effect of creating an efficient association that will be able to effectively carry out its activities. As an institution operating in the local, regional, national and even international community, the association will play an important social role in representing the collective interests of its members.

A well-functioning association, effectively representing the collective interests of its members, can help decision makers to solve many social conflicts and can prevent more radical forms of protests, can interact with social decision makers in the field of public order, peace and security (Olejniczak-Szałowska, 2016). The orientation of the public authorities, both governmental and self-governmental, towards social dialogue shows that in many cases of social conflicts it is not necessary to use power measures and associations can play an important role in this dialogue.

There are many associations throughout the country, but very few are creative, vibrant associations. The space of social life, above all in cities, is filled mainly by political parties and foundations. It seems that the institution of association should be popularized, as the most appropriate form of association, which does not create but mitigates social conflicts and is an alternative to political parties.

The popularity of association formation may be supported by the amendments to the Law on Associations in recent years: with respect to the reduction of the number of persons necessary to establish an association (from 15 to 7 persons), the possibility to establish field organisational units and the introduction of the possibility to use electronic means of communication in the functioning of association bodies. A certain barrier to the creation of an association, which should be removed, is the obligation to electronically register an association that intends to carry out economic activities. The obstacle is not only the form of application itself, but the necessity for the whole composition of the board to sign the application electronically at the same time. This can be a real, technical hindrance to the process of establishing an association. In order to popularise this institution, it seems that it would be more appropriate to allow, also when establishing associations that intend to carry out economic activity, the conventional – paper form of submitting an application for registration of an association by a registration court, and the electronic form of submitting an application should be defined as alternative, not obligatory.

All the above considerations, both in the part showing the model of managing the process of creating an association, its stages, and in the final part, allow us to conclude that managing the process of creating an association is a multifaceted, complex task, requiring knowledge, skills, and that the existence of an entity managing this process is necessary to achieve the intended goal, which is the creation of a well-functioning association.

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