



**Private Club
Performance Management**

Management Disciplines on the Go



Ed Rehkopf

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**Private Club
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Management Disciplines

Introduction

Club operations face a challenging training burden if they are to deliver the high levels of service expected by their members. Yet with tight budgets how can managers meet their training obligations while controlling costs since every hour of training is a payroll hour for each employee being trained? Add to this the difficulty of getting all your employees together at one time for formal, consistently-presented training sessions.

The answer to these challenges is to build your training programs around the “on the go” concept where ongoing training material is formatted in brief – no more than five to ten minute – modules. In every shift, in every department, there are spare moments, time when employees have finished their shift preparations, time when employees are socializing among themselves or awaiting instructions from supervisors. Since you’re already paying for this time, plan on putting it to good use.

In every department there are hundreds of operational details that employees must learn and remind themselves with some frequency. This is true in all areas of the club operation. All that is necessary is for the department head to outline training requirements in brief doses and format them so they can be pulled out at a moment’s notice for either group-led or individual instruction.

With today’s ability to find anything on the Internet with just a few keywords and keystrokes, all the information you need to teach your employees values, etiquette, product knowledge, safety, security, sanitation, HR requirements, responsible beverage service, or how to operate or maintain any piece of equipment is readily available. You just need to format it for easy use.

Private Club Performance Management has developed a variety of On the Go Training programs for leadership, values, service, food and beverage, human resources, accounting, and safety. These offer a proven model of how easy it is to format material and train your employees to increase their knowledge, skills, abilities, and service techniques. For examples, check out the Training on the Go material on the [PCPM Marketplace](#) store.



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Tips for Use

One of the major motivations in creating the Management Disciplines on the Go (MDOG) material is the desire to provide managers and supervisors tools to improve their understanding and application of management disciplines and skills.

The Management Disciplines on the Go material is prepared in MS Power Point files and presented in pdf format. Each topic is numbered, beginning at #01.

For best results, after printing each topic on paper or card stock, the sheets should be laminated. It may be cheaper and more convenient to invest in a laminating machine and doing this yourself, rather than paying someone else to do this. Another option would be to place each sheet into a clear document protector. After printing and protecting each sheet, they should be filed in a filing cabinet, file box, or three-ringed binder in numerical sequence. By using the provided index, you can easily locate a particular lesson when needed.

As with any other tool, Management Disciplines on the Go is only as effective as the effort put into it by a class leader and/or student. Each sheet provides the “take away” from the lesson. Comprehension can be improved by asking students to explain terms or points in their own words, offer examples from their own experience, or illustrate points with real or imagined scenarios. The key is to get the students to think deeply about each topic and connect it with their own experience and the context of their management function.

The Management Disciplines on the Go material can be used in group-led discussions for ongoing training of managers to reinforce management disciplines or they can be used for an individual who wants to work through the entire program in sequence to upgrade skills and knowledge. They are also an excellent way for a newly-hired manager to bring herself “up to speed” on the disciplines of the organization.



#01

Teachable Moments

A Culture of Discipline

“Arguably the greatest business book to appear in the last quarter century is Jim Collins’ *Good to Great, Why Some Companies Make the Leap . . . and Others Don’t*. In preparation for the book the author and his research team identified and examined 11 publicly traded companies that significantly outperformed their competitors for a period of 15 or more years to find out what made them so successful. The findings were sometimes surprising, often at odds with conventional wisdom, but definitive in that they were based on empirical evidence, not business theory.

One of the findings is that all *Good to Great* companies had a culture of discipline. Quoting from the book:

*‘Much of the answer to the question of ‘good to great’ lies in the **discipline** to do whatever it takes to become the best within carefully selected arenas and then seek continual improvement in these. It’s really just that simple.’*

*‘A culture of discipline is not just about action. It is about **getting disciplined** people who engage in disciplined thought and who then take disciplined action.’*

Most of us recognize that our business is not rocket science. The basics of what we do are well-known to any club professional. What makes our jobs so challenging is the sheer volume of things that must be attended to daily in a detail and people-intensive business.

Unless a club operation is well-organized and its managers highly disciplined, it operates in a state of barely-controlled chaos interspersed with periods of downtime. The challenge for all is to transition quickly from storm to calm back to storm while remaining focused on long term goals, ongoing projects, and continual process improvement. The solution is to organize the club so that most things happen routinely and that managers at all levels be highly disciplined in approaching their duties and efforts to improve the operation.”

Ed Rehkopf, What I Expect from My Club Management Team

Discussion Points: What exactly does it mean to be disciplined? Let us define discipline as “an approach to work characterized by regimen, rigor, and training in accordance with generally accepted rules or best practices.” List and discuss some management disciplines that are useful in the club industry.

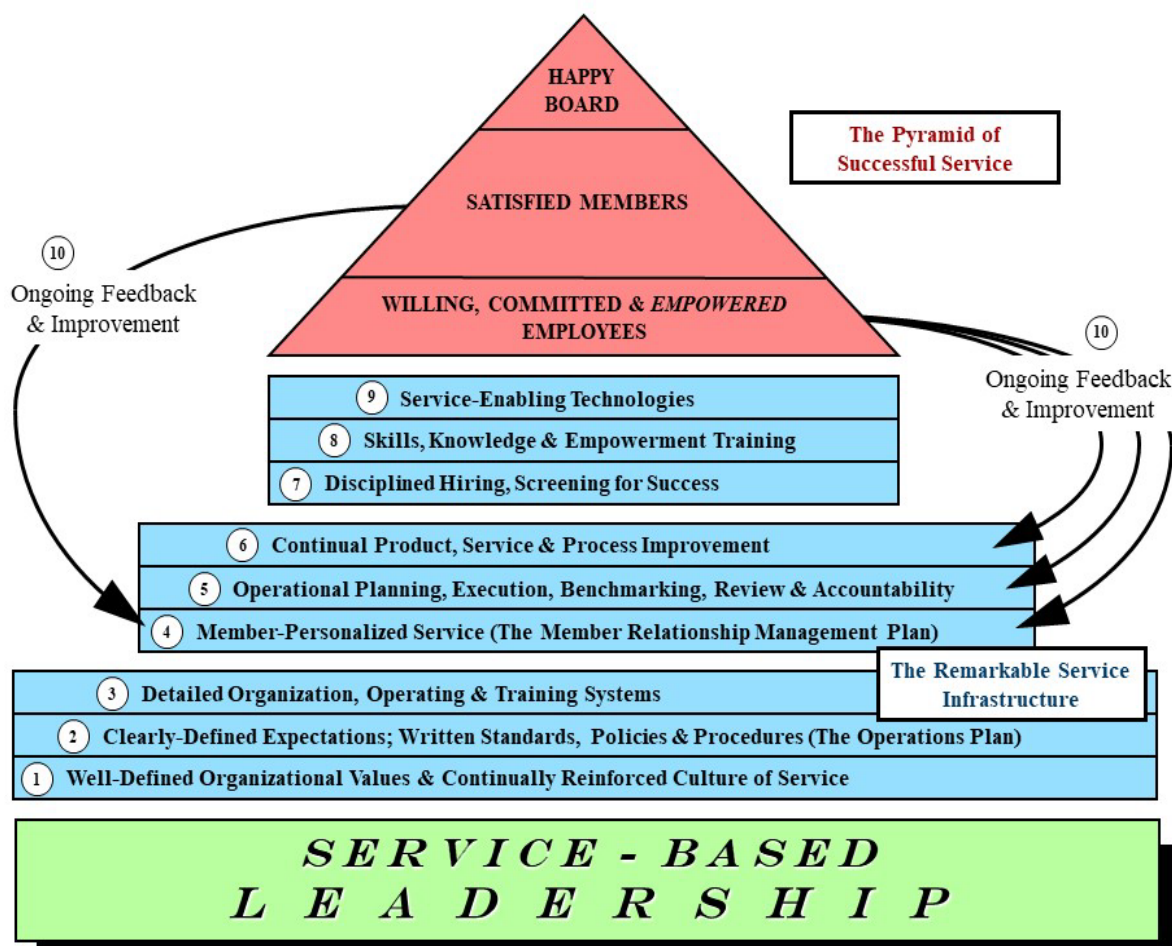
Take Away: The complexity and pace of club operations requires that managers be highly disciplined in their personal, professional, and work habits.



Remarkable Service Infrastructure – 1

Just as a club must have the appropriate amenities of a requisite quality – facilities that are conceived, designed, constructed, and paid for – so must there be proper preparation for the club’s staff to deliver quality service. In many ways the “soft” infrastructure is more challenging to build than its bricks and mortar counterpart. This is so because of one reason – the difficulties in getting a diverse group of people to work toward a common purpose of fulfilling the needs and desires of others. The proof of the difficulty involved is the near-universal recognition of just how rare it is.

Yet high levels of quality service can be achieved. Every year we read about those few companies that have cracked the code and figured out how, not only to satisfy their members, but to “wow” them with Remarkable Service. And just as in building a dramatic clubhouse, the construction of the Remarkable Service Infrastructure requires a design based on a thorough understanding of the organizational systems and management disciplines necessary to deliver quality. The diagram below depicts these.



Take Away: The Remarkable Service Infrastructure presents an overarching plan to achieve remarkable service levels in a club.



#03

Remarkable Service Infrastructure – 2

While many think that it costs more to provide Remarkable Service levels, this is not necessarily so. At the end of the day, it's more about organization and discipline than it is about higher costs. The highest service levels, however, do require buy-in and commitment from owners or the board, as well as the understanding of the club's membership regarding the long-term, focused effort required.

Realistically, the process may take three to five years ... or longer. But the benefits to the club are as remarkable as the level of service achieved, including:

- accountable, service-based leaders,
- willing, committed, and empowered staff,
- lower staff turnover; improved morale and motivation,
- integrated and efficient operations,
- improved operating performance,
- less liability exposure,
- better planning and execution,
- improved member sales, satisfaction and retention.

The important thing for management, staff, and members to recognize is that they are working on a plan to organize, improve, and revitalize their club. As legendary Dallas Cowboy coach Tom Landry said,

"Setting a goal is not the main thing. It is deciding how you will go about achieving it and staying with that plan."

The Quest for Remarkable Service is a journey requiring the continual disciplined attention of management and staff. No matter the effort, no matter the perceived success, clubs will never reach a point where managers and employees can say, "We have arrived; now we can rest." The quest is never a destination; it's a transformative journey that enriches both the recipients of that service and the providers.

In the ever-changing world of member expectations, each level of quality achieved, each plateau reached, is merely the starting point for further development and improvement. Yet as the cycle of review and continual improvement begins anew, all can be assured that with each iteration, each turn of the Flywheel, success becomes easier and more assured because of the organizational discipline gained and the momentum achieved.

Take Away: The Remarkable Service Infrastructure presents an overarching plan to achieve remarkable service levels in a club.



#04

Service-Based Leadership

“With Service-Based Leadership, the attitude and primary motivation of the leader is service to others—to members, to employees, to shareholders. This approach to leadership naturally creates relationships – the deep and abiding bonds that sustain the efforts of the club. This outward focus of the leader sets up a dynamic where:

- Employees are continually recognized.
- There is an open flow of ideas, opinions, and information.
- Initiative and risk are highly regarded.
- Problem discovery and solution is a focus while placing blame is unimportant.
- Every employee feels energized and part of the team and is valued for his or her contribution.
- Prestige is derived from performance and contribution, not title or position.
- Members are treated well because employees are treated well.
- The energy and initiative of all employees is focused on the common effort.

With Service-Based Leadership, you will find that service to both internal and external customers is effortless. Less energy is expended in processing complaints, grievances, and conflicts. Work is more fun, and everyone's job is easier.”

Ed Rehkopf, Leadership on the Line

Discussion Points: Service-Based Leadership is a particularly effective style of leadership for the service industry, and this can be summed up by the following statement:

“Employees can only provide quality service if they are properly served by the leadership and example of their leaders.”

What things must leaders do to serve their employees?

Why are these things so critical to a leader’s success and that of the club?

Why is a leader’s example so important?

What are the consequences of not properly serving the needs of employees?

Take Away: To be an effective leader you must serve your employees by providing them the proper tools, training, resources, and daily support to do their jobs effectively.



#05

Employee Empowerment

What are empowered employees and how can they help your club in meeting its mission and vision? In the simplest terms **empowered employees are viewed as full-fledged partners in your quest for high standards of quality and service.** Instead of the traditional view that employees are easily replaceable elements in an organization, people who must be trained to do narrow, well-defined tasks and who must be closely watched and supervised at all times, the concept of empowerment says that today's more educated and sometimes more sophisticated employees **need and want to contribute more to their employer and workplace.** Yet many businesses marginalize their employees by refusing to listen to them and by failing to let them contribute to the enterprise in any meaningful way.

A few companies have truly embraced the concept of empowerment and have discovered the immense power and synergy that can be unleashed when employees participate more fully in their operations. Any employee at a Ritz-Carlton hotel can spend up to \$2,000 a day per guest to solve problems and not just to satisfy their guests, but to wow them with outside-the-box service.

Yet it takes more than waving a magic wand over employees' heads and telling them they can spend money to solve problems to reap the benefits of employee empowerment. Like any complex and detail-intensive issue, establishing a culture of empowerment for employees requires Service-Based Leadership, careful planning, well-defined policies, and training to implement effectively.

In reviewing club operations, there are three principal areas where empowered employees can contribute significantly to improved performance:

1. Resolving member service issues.
2. Helping improve work processes as part of Continual Process Improvement.
3. Taking on certain delegated management functions.

Discussion Points: Brainstorm with your managers how your club might institute a formal process of employee empowerment to resolve member service issues. What steps should be taken? What obstacles would prevent you from doing it? How can these obstacles be overcome? Why is Service-Based Leadership with its focus of serving employees necessary for empowerment?

Take Away: John Tschohl, founder of the Quality Service Institute, said, "Without empowerment, an organization will never be a service leader."



#06

Teachable Moments

Creating a Lasting Club Culture – 1

We frequently talk about the importance of developing a culture in our clubs. What exactly do we mean by an organizational culture? The dictionary defines culture as the ways of living built up by a group of human beings and transmitted from one generation to another. With a slight modification of this definition, we come up with the following working definition of organizational culture.

‘The ways of working and interacting built up by a group of people within an organization and transmitted from one generation of employees to another.’

The major benefit of establishing a club culture is that once adopted by the majority of people in an organization the culture takes on a life of its own and pervades the workplace. As normal turnover takes place, new hires quickly learn that to be accepted in their new surroundings, they must embrace the culture and make it their own.

In the absence of a culture developed and disseminated by the organization’s leadership, a culture will arise on its own, usually fostered by a vocal few and often cynical and at odds with the purpose of the organization.

So, how do you create a culture in your organization? First, you must define clearly and succinctly the aims of your organization and what it aspires to be. These are most often found in Mission and Vision Statements. Beyond these basic statements of intent, one must clearly spell out standards of behavior and performance. These can be in the form of Guiding Principles, Operating Standards, Leadership Principles, Service Ethic, Principles of Employee Relations, Service Pocket Cards, or any other formal statements describing the What, How’s, and Why’s of how organizational business should be conducted.

Yet publishing such principles and statements, no matter how inspirational and well-written, will only foster employee cynicism if they are not enthusiastically embraced by the club’s leadership. On the other hand, when leadership demonstrates their commitment to the organization’s values by their daily example, employees will do likewise.

Discussion Points: What are values and why is it as important for clubs to have them? Discuss how an organization’s leadership can ensure that all employees share the values and demonstrate them in all their interactions with members, guests, and co-workers.

Take Away: Without a consistently reinforced organizational culture, a club will be represented by the individual and inconsistent values of its employees.



#07

Creating a Lasting Club Culture – 2

Teachable Moments

With well-defined values and the enthusiastic example of leaders, the ground has been prepared for the fruits of organizational culture, but just as in growing a garden, preparing the soil is only the first step. The real work for a successful harvest is the daily tending – watering, fertilizing, pruning, weeding, and pest control. In the case of an organizational culture, it is daily reinforcement at every opportunity with all employees that continues to focus individual attention on the values that underlie everyone's efforts. The key is to continually remind employees of the organization's values and elevate them from words on a page to an animating spirit that permeates every aspect of the organization and its work.

A breakthrough is reached when the organization achieves a critical mass of employee buy-in. Though the process of establishing an organizational culture requires patience and persistence as well as leadership and example, when breakthrough is achieved, the culture takes over and is self-sustaining – with the employees holding the bar high and policing their own ranks.

In such an organization, employees understand what must be done and how. Motivation and morale are sky-high as employees are empowered by their participation and contribution. The leader, relieved of the burden of constantly following behind employees to ensure they are doing the right things, can focus on strategic issues and the future of the organization.

The importance of a well-defined and promoted organizational culture cannot be overemphasized or underestimated in its impact on quality, performance, and member service. The only thing that can screw it up is for the leader to fail to show an ongoing interest or set an uncompromising example of the organizational culture and its values.

Discussion Points: What steps can the club's leaders take to consistently reinforce the club's culture? Why is it so important for leaders to set the example? What are the consequences when they don't set, or worse, set an inappropriate example?

Take Away: Without a consistently reinforced organizational culture, a club will be represented by the individual and inconsistent values of its employees.



Management Professionalism – 1

Certain actions on the part of managers will cause problems for the club. The following basic guidelines will help you avoid problems and set the proper example for those you lead.

- **Consistency in all personnel actions.** In today's litigious society it is essential that all personnel actions from screening interviews, to hiring, to providing opportunities for training and promotion, to counseling, disciplining, and discharging be consistent, fair, and professional.
- **No retaliation.** Employees have a right to come forward with their problems and concerns. While you may expect that they will come to you first, they may feel that you are part of the problem. Should employees go over your head or file complaints against you, do not retaliate against them. The best way to avoid this is to have open communications with employees and be approachable for their problems and concerns.
- **No sexual harassment.** Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature. Sexual harassment is against the law and will be thoroughly investigated whenever reported.
- **No discriminatory practices.** Biases, prejudice, disparaging remarks or jokes on the basis of race, creed, religion, gender, national origin, ethnic group, age, or handicap cannot be tolerated. There is no place for bigotry or personal and cultural insensitivity in the workplace. While each person has his or her own biases and prejudices, do not let them interfere with your conduct and decisions as a leader. This behavior demeans people. It demeans those who do it and those who are subjected to it. Since your club is the sum of its parts, words or actions that attack the self-esteem of any employee damage the club's efforts as a whole.
- **No favoritism.** Scrupulously avoid any appearance of favoritism. The fact or perception of favoritism creates serious problems among employees. Many employee complaints stem from perceptions of unfairness on the part of leaders. Time, money, and energy are spent responding to these complaints, which take away from the club's focus on member service, improving operations, and planning. In addition to the problems created for the organization as a whole, the perception of unfairness creates dissension and poor morale and destroys motivation within your work team and, by extension, the club as a whole.
- **No fraternization with employees.** As a leader you must not, enter into personal, intimate relations with employees under your direction. Should you feel drawn to such a relationship, you must take steps to ensure that one or the other party in the relationship resigns his or her position. Just as nepotism creates problems in an organization, personal relationships can interfere with the performance of your official duties.

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these important matters.

Take Away: Leaders act professionally. If they don't, their employees won't.



#09

Management Professionalism – 2

Teachable Moments

- **No fraternization with members.** Leaders should avoid fraternization with members beyond the bounds of their jobs. It is always necessary to have some professional distance from any person or group to whom you have work-related obligations. While you should always treat members with courtesy, avoid socializing with them. Such personal relationships may create subtle obligations on your part and will certainly create the appearance of favoritism and/or compromised judgment among other members. These will ultimately lead to resentments and antagonisms, further complicating your already challenging position.
- **No waste, fraud, or abuse.** Abide by the highest ethical standards. If you cut corners and bend the rules when it comes to safeguarding the assets of the club, you can expect your employees will do likewise. This is particularly important regarding your personal productivity. Don't expect your employees to work hard if you don't set the example. Abuse any privilege associated with your position and risk the loss of your employees' respect.
- **No disclosing confidential information.** Never share confidential personnel or disciplinary information. What happens at the workplace should stay there. While it is impossible to control the rumors and gossip circulating among staff, you can maintain confidentiality and not engage in this activity yourself. Information about the club, such as financial statements, operating statistics, and internal problems should not be disclosed to persons or organizations external to the business.
- **No complaining to employees.** Leaders shoulder the burden of many responsibilities. When things are not going well, it is all too easy to seek out someone with whom to share the burden. This someone should never be one of your employees. A major requirement of leaders is to possess the maturity to understand the potential negative consequences of confiding anxieties, doubts, and grievances to subordinates.
- **No favors from vendors.** Frequently, managers will be offered favors and gifts by vendors. These may be in the form of seemingly small personal items, free products for personal use, gifts at holidays or on birthdays, tickets to concerts or sporting events, or invitations to parties to thank you for your patronage. While these may be genuine expressions of appreciation, they create problems for the leader. Even in subtle ways they cloud your judgment, making it difficult to be truly objective in your purchasing decisions. Accepting even small favors starts you down a slippery path. At what point do you say no, when you have repeatedly said yes?

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these important matters.

Take Away: Leaders act professionally. If they don't, their employees won't.



#10

Supervisory Responsibilities – 1

The work of all club employees is assigned, directed, supervised, and reviewed by a department head or supervisor. Each employee will ordinarily have only one supervisor. Effective supervision depends upon the ability of supervisors to get employees to do what is necessary with professionalism and enthusiasm. Supervisory responsibilities include:

- Directing employees' work.
- Hiring, counseling, and disciplining employees, as necessary. Recommending discharges to general manager.
- In conjunction with Annual Club Goals, establishing goals for their department or section.
- Establishing and maintaining high standards of service, quality, and job performance for employees. Resolving member service issues in a prompt, courteous way. Seeking constant feedback from members concerning quality of operation. Ensuring that all employees have a complete dedication to the needs and desires of members and their guests.
- Establishing systems, standards, policies, and procedures for the efficient operation of their department or section. Paying close attention to the details of the operation that distinguish an outstanding operation from a merely good one.
- Supervising employees, ensuring that all systems, standards, policies, and procedures are followed. Supervising the work of employees with emphasis on high levels of quality and service, making on-the-spot corrections, as necessary. Constantly reinforcing ideals of quality and service to employees.
- Developing formal training programs and providing ongoing individual job skills and service technique training for employees.
- Scheduling employees in the most cost-effective way to accomplish necessary work. Verifying hours worked.
- Monitoring and controlling departmental costs, especially payroll. Ensuring that all employees have work to do throughout the workday and workweek. Sending employees home when necessary to avoid overtime and control costs. Advising management on changes in staffing structure to accomplish the work in the most cost-effective way. Preventing sick leave abuse.
- Establishing and meeting annual and monthly budgets for department. Using Tools to Beat Budget to help monitor and control expenses.

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these responsibilities.

Take Away: Managers must have a firm grasp of all their supervisory responsibilities.



#11

Supervisory Responsibilities – 2

The work of all club employees is assigned, directed, supervised, and reviewed by a department head or supervisor. Each employee will ordinarily have only one supervisor. Effective supervision depends upon the ability of supervisors to get employees to do what is necessary with professionalism and enthusiasm. Supervisory responsibilities include:

- Ordering resale inventories and supplies as necessary. Conducting accurate inventories as necessary in a timely and accurate manner. Ensuring the security of inventories.
- Ensuring the safe operation of all equipment. Reporting equipment defects and malfunctions to maintenance for repair.
- Maintaining equipment and machinery in good working condition. Monitoring cleanliness of areas of responsibility. Cleaning as necessary and coordinating with housekeeping for special cleaning or areas needing attention.
- Ensuring that club policies, including appearance and grooming standards for department, are followed by all employees.
- Instilling an awareness of energy conservation in staff.
- Benchmarking departmental performance with operating statistics tracked over time and analyzed continuously.
- Establishing and maintaining effective communication with departmental staff, other departments, and senior management.
- Establishing and maintaining a high degree of motivation and morale within department.
- Ensuring a safe workplace. Training employees concerning safety issues.
- Ensuring a secure workplace. Developing and maintaining a security consciousness among staff.
- Working together with other department heads and supervisors to develop a team-like approach to operating the club where the emphasis is placed on problem discovery and solution.

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these responsibilities.

Take Away: Managers must have a firm grasp of all their supervisory responsibilities.



#12

Management Accountability

Accountability is defined as “subject to the obligation to report, explain, or justify something; answerable.” A manager is answerable for the performance of the operation for which he has authority and is responsible.

As a manager, you are accountable for those functions and tasks that have been delegated to you. Likewise, should you delegate any functions or tasks to subordinates, you must ensure that they are held accountable for properly performing them. This requires that you properly explain your expectations to subordinates which is best accomplished by a meaningful work plan with measurable accountabilities.

This is most easily done when performance parameters are objective, say telling a football coach he must win 7 games or else he’ll be replaced. More often, performance parameters are more complex and involve subjective evaluations.

Regardless of the difficulties in defining these parameters, it must be done. Otherwise, there is no way to hold a subordinate accountable for results. It is for this reason that performance standards must be defined. Often, detailed benchmarks, consistently and conscientiously tracked over time, will provide the most meaningful measures of performance.

Discussion Points: Without accountability it is senseless to give authority to managers and say they are responsible. Discuss the importance of accountability in successful enterprises. Why is accountability so prominent in athletics where “winning isn’t everything; it’s the only thing”? Shouldn’t this also apply to businesses where so much is at stake?

Take Away: Managers at all levels must be held accountable for their work and the performance of their areas of club operations.



#13

What I Expect of Club Department Heads – 1

There are a number of things I expect from all the club's department heads regardless of their specific areas of expertise and function.

- **Leadership.** I expect a consistent service-based style of leadership for all departments. Service-based leadership naturally promotes employee empowerment which is essential to delivering remarkable service levels.
- **Organizational values.** Strict adherence to and promotion of the club's culture of service is necessary to ensure that all employees understand the values that underpin the business. The consistent example of managers at all levels is a must.
- **Annual departmental goals.** Each department head must develop departmental goals based upon the club's annual goals. These goals have an impact on department budgets.
- **Standards, policies and procedures.** These are necessary for all areas of the operation to promote standardization and efficiency. They are also the basis for developing pertinent training material for each department.
- **Tools to Beat Budget.** The discipline of tracking revenues and expenses in real time makes department heads more knowledgeable about their enterprise and enables them to take timely action to correct deficiencies. It's also an incredibly effective tool for improving the ease of developing, as well as the accuracy of, departmental budgets.
- **Benchmarking.** Every department head must benchmark their payroll expenses in detail. As the single largest expense in most departments, it is essential that they track and monitor this expense. In addition, they need to benchmark their respective operations to ensure they have a better understanding of their business.
- **Accounting submissions.** There are accounting requirements for all department heads, and they are expected to meet these in a timely and accurate manner.
- **Human resource requirements.** Each department head is expected to have a thorough knowledge of all HR requirements and strictly adhere to these. There are too many legal and liability issues to do otherwise.

Discussion Points: Discuss the points above and why they are each necessary disciplines in a well-run club. Have managers explain each in detail and how they contribute to efficient operations.

Take Away: These expectations are minimum requirements for all club department heads.



#14

What I Expect of Club Department Heads – 2

There are a number of things I expect from the club's department heads regardless of their specific areas of expertise and function.

- **Monthly financial and work plan review meeting.** Every month after the financial statements are distributed each department head will meet with the general manager and club controller to review financial performance and progress on work plan accomplishment. Department heads must be prepared for this meeting by ensuring their Tools to Beat Budget binders and benchmarks are up to date, can explain any variances, and offer plans to remedy material revenue shortfalls and expense overages.
- **Departmental training.** Department heads are responsible for determining their department's individual knowledge, skills, and service technique training needs and developing training programs to meet those needs.
- **Disciplined hiring.** It is a requirement that department heads develop the skills and disciplines to hire well. The quality of club staff is too important to leave to chance.
- **Organization, cleanliness, and maintenance.** All club departments must be well-organized, clean, and well-maintained. Department heads are responsible for their areas of the operation and must coordinate with the facility manager to ensure cleaning standards are established and met, as well as ensuring all facilities, furniture, fixtures, and equipment are properly maintained.
- **Safety and security.** Each department head must determine work hazards and security issues for their areas and develop the standards, policies, and procedures, as well as training, to address these.
- **Team players.** Each department head must realize that they are part of a team dedicated to the common purpose of providing a superior private club experience for members. In order to meet the challenges of such an operation, they must be mutually supportive and work together as a team.

Discussion Points: It's good to provide subordinates with a list of your expectations. They become the basis for measurable accountabilities to judge their efforts. Discuss why this is important for the quality, efficiency, and performance of the club.

Take Away: These expectations are minimum requirements for all club department heads.



Private Club
Performance
Management

Management Disciplines

#15

Managers' Handbook

Club employees are provided an Employee Handbook to help them understand the club culture, the laws and rules governing their employment and work, and other important information they must know to meet the club's expectations for them.

More importantly, but for the same reason, managers and supervisors must be provided with written expectations for their crucial roles as leaders and agents of the club. For this reason, a [Managers' Handbook](#), containing important information with which they must be familiar, has been prepared and is given to all newly hired managers. Managers should use the handbook as a ready reference, as well as review its contents in depth at least annually.



Private Club
Performance Management

Managers' Handbook



Ed Rehkopf

Take Away: Spelling out expectations for managers helps them understand the requirements by which their performance will be judged.



#16

Teachable Moments

A Discipline of Planning

Managing a club without a plan is like exploring a foreign land without a map. Given the size, complexity, and money invested in making a club successful, why would anyone consider operating it by the seat of one's pants? Yet, this is exactly what managers do when they fail to establish a discipline of formal planning. And make no mistake about it, it is a discipline – requiring managers and supervisors at all levels to conceive and document their plans for upcoming periods and specific events.

Every enterprise demands a plan. Without a formal, written plan to focus attention and action upon the completion of specified goals within a specified time period, the club will lack clear direction and purpose. By putting plans in writing, the responsible manager formally commits to its accomplishment. Further, there is a common understanding on the part of both the subordinate manager and the general manager of what will happen and when. Often, the planning and execution of one department will impact other departments or the club. Written plans ensure that all managers and department heads are fully informed about where the club is going and when things are supposed to happen. Taking all this into account, planning is not a luxury, but a necessity for efficient operations.

Planning is necessary on many levels. Formally, the club should have the following:

- A **Club Strategic Plan** covering a period of three to five years and reviewed annually. The purpose of a strategic plan is to ensure the club's competitive position in the marketplace while providing direction and continuity to ever changing club boards.
- A **Club Annual Plan** covering a period of 12 months, coinciding with the budgeting cycle. This plan lays out the specific goals to be accomplished during the year as part of the club's efforts toward continual improvement.
- A **General Manager's Work Plan** for the 12 months covered by the Club Annual Plan. This plan lays out measurable accountabilities for the general manager and is the basis the GM's performance review.
- **Departmental Plans** for the 12 months covered by the Club Annual Plan. These plans lay out the goals and objectives of each operating department.
- A **Work Plan for each department head** for the same 12 months. These plans do the same for the club's department heads.
- **Plans for major project and events.** These are plans developed for specific major tasks or activities such as purchasing new golf carts, renovating a facility, or preparing for the Member-Guest Tournament.

Discussion Points: Discuss the above planning requirements and why they are important to club operations. Who should be responsible for preparing each of the above plans?

Take Away: Formal planning is a necessary discipline in club operations.



#17

Tips for Improved Planning

Here are some tips that help the planning process:

- **Start early.** Procrastination results in poor, disjointed planning.
- **Involve your staff.** Departmental plans for the coming year usually impact the overall Club Annual Plan and budget. Also, since no department works in isolation, one department's plan may affect others – either materially or in the timing of events and accomplishments.
- **Challenge staff.** The general manager should explain the big picture of club direction and progress and then challenge department heads to work on specific initiatives within their departments, for example, implementing [Benchmarking](#), setting up [Tools to Beat Budget](#), reviewing departmental training material and plans, [Continual Process Improvement](#).
- **Planning is a process.** No plan is completed after one pass. Back and forth discussion between the general manager and department heads and among the different departments will further refine plans thereby ensuring a well-integrated club plan.
- **Use planning as a team-building exercise.** The general manager should use the annual planning process as a team-building process. Call an early planning meeting with all department heads to lay out the purpose, process, and planning timeline. Then establish a series of planning meetings at which each department head presents his or her plans to the rest of the staff for input and feedback. One department head's ideas may spur others to similar accomplishment. Encourage critical review of plans and challenge groups of department heads to work together to work on larger club or departmental initiatives.

Lastly, plans must not be a one-time task not to be looked at again. To be truly useful Departmental and Club Annual Plans should be reviewed often. Formally review each department head's plans and accomplishments during the [Monthly Review of Operating Statement Meetings](#). This ongoing review and discussion of planning will ensure timely completion of tasks and keep the club on target to meet all its annual goals.

Discussion Points: Discuss these and other ideas to improve the club's planning process. Ask managers what obstacles they see in preparing departmental plans and work plans for themselves? Brainstorm ways to overcome any obstacles raised.

Take Away: The importance of disciplined planning cannot be overstated. Haphazard planning results in haphazard operations and equally haphazard performance.



#18

Continual Process Improvement

We do not live in a static world and our ability to continually evolve our business, products, and services to exceed the expectations of our members and guests is critical to our success.

Quoting again from Jim Collins' *Good to Great*:

*'Much of the answer to the question of 'good to great' lies in the discipline to do whatever it takes to become the best within carefully selected arenas and **then seek continual improvement** in these. It's really just that simple.'*

Given the many details associated with managing a quality club, it is imperative that management commit to and promote a process of continual improvement in all areas of the operation. This requires a positive emphasis on problem discovery, a discipline of constant review, and an understanding that in quality service operations the devil is in the details. As more and more areas of the club's operations become systematized and routine, management at all levels, with the commitment and assistance of their empowered employees, must continually 'peel the onion' to deeper and deeper layers of detail. Further, no detail must be seen as too trivial to warrant management's attention and the establishment of standards and procedures to ensure it is attended to by the staff.

Definition. [Continual Process Improvement](#) is the discipline and methodology of constant review of all aspects of operations to include work processes, standards, policies, procedures, organizational systems, programming, training, and administration to ensure they attain a new level of performance that is superior to any previous level.

Purpose. The purpose of Continual Process Improvement is to constantly seek better ways of doing things – that is to improve the efficiency, effectiveness, and financial performance of the club while providing a quality of service and level of satisfaction that encourages greater use and enjoyment by members.

Discussion Points: Discuss the above material. What might it take to implement a system of Continual Process Improvement at your club? Discuss any potential obstacles and how they might be overcome.

Take Away: Continual Process Improvement is a necessary discipline to any operation aspiring to excellence.



#19

Steps to Continual Process Improvement

The discipline of [Continual Process Improvement](#) requires that all managers and supervisors are focused on and committed to improving the performance of their club, department, or section. It means that no manager or supervisor should be satisfied with the status quo but should constantly be looking for ways to improve.

In order to ensure the development of such a discipline in the club, the general manager must constantly remind subordinate managers of the need to improve and make improving existing operations a key component of subordinates' annual work plans. Further, the general manager should continually enquire, "What are you doing today to improve your department or section?" When this level of interest is demonstrated by the general manager, subordinate managers and supervisors will understand the importance of Continual Process Improvement.

Continual Process Improvement does not happen by accident. There are a number of mutually reinforcing and integrated steps necessary for Continual Process Improvement:

- The leader's **will to make it happen**.
- A **continual emphasis on improvement**
- The **habitual methodologies** to examine existing processes
- **Well-defined current processes, standards, policies, and procedures**
- **Benchmarks to measure performance**.
- The **willingness to formally review** existing operations and formulate improvements.
- The **follow through** to make changes.

Discussion Points: Discuss specific steps your managers might take to continually review their operations for improvements. Would a club improvement committee meeting regularly help formulate ideas for implementation? How about requiring each department head to submit 10 ideas for improving his or her operation? What role should the general manager play?

Take Away: Continual Process Improvement is a necessary discipline to any operation aspiring to excellence.



#20

Creating Measurable Accountabilities

Management accountability is a significant driver of operational progress and results, but it must be based upon measurable accountabilities. Creating measurable criteria by which to evaluate a manager's performance has always been a challenge, yet one that must be met.

Over the years I've developed and deployed several versions of managers' performance evaluation criteria. Each ultimately proved unsatisfactory though they included a variety of meaningful and worthwhile objectives such as "builds teamwork and morale," "directs work effectively," and "follows through and implements well." As good as these criteria looked on paper, they turned out to be practically meaningless as I attempted to do reviews because I had no hard evidence or objective means of measuring them. Once again, my reviews degenerated to my gut feel or overall sense of things. Clearly measurable accountabilities continued to prove elusive.

In recent months I've taken another stab at finding performance criteria for which I could establish specific measurable goals. Here's what I've come up with:

On the big picture scale, I've broken down performance expectations for department heads into 6 major categories – leadership, management, training, performance, meeting expectations and compliance, and member satisfaction. These can be weighted based upon changing emphases but must equal 100%. Within each major category are sub-categories that can in some way be measured. These are also weighted, again totaling 100%. The following *Teachable Moment*, #21 – *Sample Measurable Accountabilities*, provides an example with major and sub-categories, as well as the means to evaluate and who is responsible for creating the measurements.

Obviously, this sample shows one person's set of measurable accountabilities for department heads. Each manager must determine priorities and accountabilities according to his or her own needs and those of the operation.

Creating measurable accountabilities for subordinate managers is a challenging task and presupposes that you have already instituted certain disciplines such as holding monthly reviews of financials and departmental plans with each department head; measurements such as departmental and personnel benchmarks; and both member and employee surveys.

Discussion Points: Have managers make a list of those things for which they would want to hold their subordinates accountable and then brainstorm with the group the means and methods to measure them.

Take Away: Creating measurable accountabilities for subordinate managers is a challenging, though necessary, discipline for driving operational progress and results.



#21

Sample Measurable Accountabilities

Teachable Moments

		Rating Criteria	Measurement Method	Measurement Responsibility
20%	Leadership			
	25%	Values/Culture Reinforcement	Weekly Report of Daily Huddles	Dept Heads
	60%	Leadership	360 Reviews, Annual Employee Survey	HR Manager
	15%	Employee Turnover	Personnel Benchmarks	HR Manager
	100%	Total		
10%	Management			
	20%	Order/Cleanliness/Maintenance	Monthly GM Inspection on pre-designed form	GM
	20%	Planning (Dept. Annual Plans)	Plan Review scored for value and impact	GM
	20%	Empl. Development and Reviews	Review of Work Plans and Performance Reviews	GM
	20%	Standards, Policies & Procedures	Review of material scored for quality and adequacy	GM
	20%	Safety, Security, Sanitation	Monthly GM Inspection on pre-designed form	GM
	100%	Total		
15%	Training			
	15%	Departmental Training Plan	Annual Plan Review scored for adequacy and quality	GM
	20%	Curricula Development	Annual Plan Review scored for adequacy and quality	GM
	20%	Training Material Development	Annual Plan Review scored for adequacy and quality	GM
	30%	Training Execution	Training Visits scored for adequacy and quality	GM
	15%	Benchmarks	Monthly Review of Financials, Benchmarks and Plans	GM
	100%	Total		
25%	Performance			
	25%	Revenues	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	35%	Pay Cost Control	Pay Pd Summary Rpts, Monthly Review of Financials	GM, Controller
	20%	Cost of Goods Sold	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	20%	Other Expense Control	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	100%	Total		
10%	Meeting Expectations/Compliance			
	20%	Dept. Annual Plan Completion	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	20%	Tools to Beat Budget	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	20%	Departmental Benchmarking	Monthly Review of Financials, Benchmarks and Plans	GM, Controller
	20%	Accounting Compliance	Controller's Report and Benchmarks	Controller
	20%	Human Resources Compliance	HR Manager's Report and Benchmarks	HR Manager
	100%	Total		
20%	Member Satisfaction		Annual Member Survey, benchmarked year-to-year	Mbrshp Dir.
100%	Total			

Discussion Points: Have your managers make a list of those things they would want to hold their subordinates accountable for and then brainstorm with the group the means and methods to measure them.

Take Away: Creating measurable accountabilities for subordinate managers is a challenging, though absolutely necessary, discipline for successful club operations.



#22

Manager Work Plans and Performance Reviews

Recognizing that the club is a collection of diverse business enterprises, each with its own requirements, disciplines, and knowledge for success, general managers must rely on department heads to run their operations with high levels of professionalism, efficiency, and service. But to ensure that this is consistently done with a quality that meets member and board expectations, general managers must exert their authority to guide subordinates toward a common vision, specific goals, and a coordinated timing of initiatives across departmental lines.

The only means to do this effectively is to develop comprehensive and meaningful work plans for each department head. While the planning process is a major effort, it will directly affect outcomes and is well worth the time investment.

Department heads must have an opportunity for input to ensure buy-in to their individual plans. A good way to do this is to require each department head to bring his or her own draft plan to the initial planning meeting. The general manager can then agree or disagree with plan elements and offer inputs to meet overall club requirements. Back and forth discussion will determine the final plan.

The agreed upon plan is then detailed in writing with priorities and timelines by the department head. Both parties sign and date the plan. The general manager monitors progress on plan completion and performance at the Monthly Review of Financial Statements meeting with each department head. When this is done, there should be no surprises when performance reviews are conducted.

The final step in the process is to review plan accomplishments during annual performance reviews. While the general manager must make allowances for changing circumstances that may have affected the completion of any plan elements, she must also hold subordinates accountable for their failures. Ultimately, the success of the club depends on it.

See [Expectations, Work Planning and Performance Reviews](#) for more information.

Take Away: There is probably no more important thing a general manager can do to drive desired outcomes in club operations than preparing detailed work plans for subordinate managers and holding them strictly accountable for results.



#23

Club Organizational Systems

The quality of club operations is, to a great extent, dependent upon the degree and quality of its organization. By organization we mean the clearly-defined systems and disciplines that permit most club functions to happen routinely and efficiently.

Evidence of good organization is readily apparent to all who witness it. Workspaces are designed and set up for efficiency, storage areas are properly designated and arranged, all items are properly put away after use, order and cleanliness are routine, details are attended to, employees are productively engaged at any time, the pace of normal operations is measured and methodical, and all employees have the inclination and opportunity to be pleasant because they are not under the duress of poorly organized and chaotic operations.

Systems are the integrated organization and structure of the departmental standards, policies, and procedures of the club. They include the operating systems for the following departments/club functions:

- Golf and golf course maintenance
- Tennis,
- Activities, fitness, and aquatics,
- Food and beverage,
- Membership sales, and member relationship management.
- Human resources/personnel,
- Accounting/financial reporting,
- Administration,
- Facilities maintenance and housekeeping, and
- Safety and security.

Lastly, there are the training systems that convey the skills, knowledge, and empowerment training to employees. Training systems include content development by subject matter experts, training delivery systems, and training administration to track, report, benchmark, and monitor compliance.

Discussion Points: Discuss the importance of departmental systems to efficient operations. Discuss the importance of each departmental system being fully integrated with other departments.

Take Away: Organized operations are the result of clearly defined and fully integrated departmental systems made up of written standards, policies, and procedures.

Establishing Standards

Ultimately, owners of an enterprise determine the desired standards for quality and service. In the case of member-owned clubs, it is the governing Board that has this responsibility. The problem for board members, though, is that seldom do these individuals have the in-depth knowledge or experience of hospitality operations to translate their desires into reality.

So, it is the general manager who, in consultation with the board, determines the desired quality and sets the standards. This is challenging in three ways. First, board members may have difficulty articulating their quality and service desires since the perception of quality is the culmination of a great number of operating details. Second, each individual member has his or her own expectations for quality, thereby making for an imprecise common standard. Third, boards change over time and the changing agenda of new boards may require changes in priorities and allocation of resources, which may ultimately impact standards.

The common wisdom in our industry is that the higher the standards of quality and service desired, the greater the cost of operations – most noticeably in payroll cost from higher staffing levels, extended hours of operation, more personal services, and more intensive training. While these are major factors, operating inefficiencies as a result of weak leadership, poor organization, excessive staff turnover, and inadequate training are also significant drivers of higher costs.

A further challenge arises from the need for management to consistently communicate operating standards to employees. Regardless of age, background, education, experience, training, personality, and habit, all employees must have a common understanding of what they must do in all service situations. This can come about only through clear standards, policies, and procedures consistently communicated to employees during onboarding and training. It is also essential that the training, particularly for values and service standards, be consistent across all operating departments. Consistent service levels are impossible when different department heads teach and reinforce divergent values and standards to their respective staffs.

Lastly, while service-based leadership focuses largely on providing training, resources, and support for the staff, the concern for staff motivation and morale should not for a moment be mistaken to imply that standards are not demanding and devotion to those standards are paramount. Leaders must be fanatical in their focus on the established standards and attention to detail in all areas of the operation.

See [Beyond Oral History – The Importance of a Club Operations Plan](#) for more information.

Discussion Points: Discuss the importance of standards. Why must they be consistent across all departments? How can they be consistently communicated to all employees? Why is it important that standards be in written form?

Take Away: Standards define the quality of club operations.



#25

Standards, Policies & Procedures

The terms “standards,” “policies,” and “procedures” are used to describe the what and how to’s of a club’s organization and work processes.

Standards. In the club industry the establishment of a standard is usually made by management based upon an understanding or expectation of what will satisfy or impress members. Often this satisfaction is based upon the manner in which some service or action is performed. Therefore, the standard is a description of the desired outcome of that service or action and/or the manner in which it is performed, such as the approved way of presenting and opening a bottle of wine, or the correct way to fill out a form used for documenting personnel actions, the manner in which month-end inventories will be conducted, or the level of professionalism of management and operations.

Standards are established by the board or general manager as the acceptable model of performance by which members judge proficiency and professionalism. They apply not only to the daily performance of individual duties, but also to the manner in which employees conduct themselves.

Policies. Policies and standards are so closely interwoven it is often hard to tell them apart. Policies most often apply to those areas of the operation where they can be little or no leeway in how something is done, for instance in the area of human resources where so much is dictated by law and the need for correct action to avoid litigation, or in the area of accounting where exactness and consistency are necessary to ensure the correctness, accuracy, timeliness, and transparency of financial reporting and fiduciary responsibilities.

Policies can also apply to operations. Policies are established to ensure the consistent and fair treatment of members; for instance, there might be a policy for giving refunds or making dining reservations. The need for policy here is to ensure that every member receives equal treatment and the same opportunity to use and enjoy the club and its amenities or services. Nothing will upset a member faster than believing he or she is not getting a fair shake from the club. While human resources and accounting policies must be stringently followed, operating policies tend to be more flexible to meet special or unusual circumstances and changing member needs.

Procedures. Procedures are the how to’s of business. Sometimes they flow from standards and sometimes from policies, but in the end, they are instructions of how to do or complete a particular process, act, or event. Whereas policies are often the reason why something is done, procedures are the detail of how it is done.

Discussion Points: Discuss the differences among standards, policies, and procedures? Why is it important to define standards? What are the consequences of not defining standards, policies, and procedures?

Take Away: Standards, policies, and procedures detail the manner in which clubs function and provide service.



#26

Sample Standards, Policies & Procedures

Note the policies and procedures for taking a dining reservation below. Taken together they represent the standard of how to take a reservation and provide a description of the desired outcome of the process.

Policies:

1. *Reservations will be taken for all dining venues – casual dining, fine dining, and Sunday brunch.*
2. *Reservations will be taken no earlier than 60 days in advance of a requested date.*
3. *A la carte reservations will not normally be taken for parties of more than 12. When an exception is made for a party of more than 12, the Dining Room Manager and Chef will coordinate a set or limited menu for the party.*
4. *The Dining Room Manager is responsible for maintaining the reservation book for all venues.*
5. *Reservations may be made by calling 555-5555, from 8 a.m. to 9 p.m. Tuesday through Friday, and 11 a.m. to 9 p.m. Saturday and Sunday.*
 - a) *During normal office hours (8 a.m. to 5 p.m., Tuesday through Friday), reservation calls will be taken by the Receptionist.*
 - b) *During all other hours, reservations will be forwarded to the dining room where they will be taken by the dining room Host or Hostess.*
 - c) *Outside of normal reservation times, a voice mail message will inform members of the hours that reservations may be taken and that a voice mail message will be returned promptly during normal business hours.*

Procedures:

1. *Answer the phone in three rings.*
2. *Use a pleasant tone of voice to communicate your desire to help.*
3. *Answer the phone with “Main dining room, this is (your name). How may I help you?” Note: It is important to get the name of the caller first, so that you may address him/her by name during the rest of the call.*
4. *If you must place the caller on hold, say “Mr./Mrs. (member name), may I place you on hold for a moment?”*
 - a) *If the answer is yes, say “Thank You” and place the caller on hold.*
 - b) *If the answer is no, continue with the call.*
5. *Obtain all necessary information: day/date of reservation, time, number in party, and member phone number.*
6. *Read back the information you have taken to ensure all information is accurate.*
7. *Thank the member for calling.*

Standards, policies, and procedures form the bulk of the material that an employee must master to satisfactorily complete all their job functions, duties, and responsibilities. Without taking the time to define, explain, and clarify standards, policies, and procedures, how can management realistically know what it is that employees need to learn? Without well-defined standards, policies, and procedures, any attempt to train will be disorganized and inconsistent.



#27

Linked Policies Database

Communications among the management staff of a club is critical to keeping everyone informed, on task, and functioning as a team with a common vision. But other than a weekly staff meeting it is often challenging for managers to get together given their varying schedules. The advent of emails and the Internet has made it easier for managers to communicate among themselves, but the power of computers and the club's intranet can be harnessed to truly improve communication and consistency in operations. This can be done by setting up a linked intranet of club values, standards, policies, procedures, training material, benchmarks, and other operating and organizational material.

This is simple to do by using Microsoft Office and the link button on the toolbar at the top of the document or file. The link button is the little symbol of the earth with a chain link at the bottom. You simply underline the word or phrase you want to link, click on the link button, and browse through your folders and files until you find the file you want to link. When you've finished selecting the file, you will have a hyperlink to that file from the selected (and underlined) word(s) in your document.

The beauty of this linked intranet is that all your club's key reference documents, standards, policies, procedures, and training material are easy-to-find and readily accessible to any manager who may need them. Further, any changes or upgrades can be made in one place and all managers notified of the change via an email.

Steps to building a Linked Policies Database at your club:

- Purchase or download any desired material from the PCPM Marketplace store. Modify it to suit the needs of your club. As an alternative, use your own created material.
- Set up a Main Index Page in a Word file. Usually this will be set up by department, so that if someone wants to go to food and beverage, they click on Food & Beverage link, and it will take them to the F&B Index Page. Each department's index page is nothing more than a Word file with the numbered policies and procedures linked to the actual files.
- For uniformity's sake, the general manager should establish a standard design template (font type, size, header, footer, and text formatting) so that every file has a common look and feel.
- While each department head can set up his or her own department's policies and procedures and index page, it is helpful to have someone – usually the club's administrative assistant set up the Main Index Page and create the necessary links from file to file.
- While building such a database takes time, in the end it provides the club with a cohesive set of operating standards and policies that will make everyone's job easier. Having set one up, I can tell you its well worth the time and effort – and ultimately not that difficult. As with so many other things, it's really a matter of organization and discipline.

Take Away: By linking all documents detailing club values, standards, policies, procedures, training material, benchmarks and other key operating materials using MS-Office, the club can establish a database of key information which is available to all managers via their personal computers.



#28

Accounting Requirements

Given the significance of timely and accurate financial accounting and reporting, the club's accounting standards, policies, and procedures (SPPs) must be well-thought out, thorough, and in written form to ensure consistent compliance across all areas of the operation.

Once prepared by the club controller and approved by the general manager, the written accounting standards, policies, and procedures are used to train management staff in their fiscal duties. It is each managers responsibility to become familiar with all aspects of these requirements and to faithfully and consistently execute them in their areas of the operation.

To assist in meeting all fiscal responsibilities, the controller will monitor compliance, provide ongoing refresher training and outreach programs as necessary, and report to the general managers all instances and levels of non-compliance in a monthly Controller's Report.

To assists in the process of preparing standards, policies, and procedures Private Club Performance Management has created a large number of [sample Accounting SPPs](#) that may be customized for individual club operations.

Take Away: Club members and the board expect that their club will be operated professionally. This is particularly important in the accounting and reporting of operating performance and safeguarding of club assets. Therefore, all accounting processes must be well-documented and conscientiously followed by all management staff.



#29

Financial Responsibilities – 1

Managers are responsible for the financial performance of their clubs/departments. There are specific disciplines associated with this responsibility, which are broken down into the following broad categories:

- **Budgeting** – Budgeting is the process of establishing a financial operating and capital plan for a future fiscal year. Budgets are formulated using past history, benchmarks, knowledge of upcoming events or trends, and one's best professional judgment.
- **Comparing Actual Performance to Budget** – Once approved, budgets are the fiscal plan for the year. Managers are responsible for comparing actual performance to budgets on a monthly basis and intervening as necessary to achieve budget goals.
- **Achieving Revenues** – Achieving revenue projections is one of the two primary means of meeting budgets (the other being controlling expenses). Managers are responsible for monitoring revenues and aggressively intervening when revenues fall short.
- **Controlling Cost of Goods Sold** – Departments with retail operations (golf, food, beverage, and tennis) must also control the cost of goods sold and investigate high cost of goods sold by Cost of Goods Sold Analysis. Managers can do this by using an Annual Retail Buying Plan, ensuring accurate Monthly Resale Inventories, and carefully tracking Departmental Transfers and Adjustments.
- **Controlling Payroll Costs** – Payroll is the single largest expense in club operations and are the most significant expense that managers must control. The [Pay Period Summary Report, PCPM Form 229](#), and the [Departmental Payroll Summary Analysis, PCPM Form 230](#), are effective tools to compare actual to budgeted payroll costs.
- **Controlling Other Expenses** – Other Expenses comprise all of the other departmental operating expenses. Managers can control these expenses by carefully reviewing expenditures on a monthly basis, using [Tools to Beat Budget](#) to monitor expenses by expense category, and by periodic in-depth reviews of significant expense accounts.
- **Benchmarking** – Benchmarking is the act of measuring operating performance. Each department head is required to track detailed benchmarks for his or her area of the operation.
- **Pricing** – The starting point for meeting revenue projections is proper pricing of products and services to ensure a sufficient markup to cover associated expenses. Pricing should be reviewed on a periodic basis to ensure that budgeted margins are being maintained.

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these responsibilities.

Take Away: Managers must be fully aware of and conscientiously meet their fiscal requirements.



#30

Financial Responsibilities – 2

Managers are responsible for the financial performance of their clubs/departments. There are many specific elements associated with this responsibility, which are broken down into the following broad categories:

- **Purchasing** – Managers are responsible for purchasing equipment, materials, supplies, and inventories for their departments. Managers must be familiar with all purchasing policies (Accounting Policies – 4000 Series) to properly fulfill these responsibilities.
- **Expense Coding** – Managers are responsible for ensuring that invoices for all purchased items are coded to appropriate expense accounts in a timely, accurate, and consistent manner.
- **Inventory Management and Security** – Given that high inventory levels tie up capital that might be put to better use elsewhere, managers must use common sense and good business judgment to maintain inventories at levels that balance business demands, lower pricing for bulk purchases, perishability of stock, and available warehousing space. Inventories must be kept secured with access limited to as few individuals as possible. Storerooms must be kept neat, clean, and organized to facilitate physical inventory counts and minimize damage and spoilage.
- **Asset Management** – Managers are responsible for protecting the assets assigned to their departments and in their care.
- **Inventories** – Periodic inventories are required for various assets. These inventories must be conducted in a consistent, accurate, and timely manner to properly account for cost of goods sold. See inventory policies (Accounting Policies – 4500 Series) for more information.
- **Internal Controls** – Managers are responsible for ensuring the efficiency of their operations and the security of all assets in their care. Further, they must ensure they follow all requirements of the club's internal controls (Accounting Policies – 9000 Series).
- **Point of Sale Transactions** – The initial entry for all revenue data is through point-of-sale systems. Managers are responsible for training their employees to correctly use the POS system and to retrain as necessary when a pattern of errors is evident in their departments.
- **Accounting Standards, Policies and Procedures (SPPs)** – Managers should be familiar with and follow all requirements of the Accounting SPPs.

Discussion Points: Discuss each of the points above to ensure managers understand the full implications of these responsibilities.

Take Away: Managers must be fully aware of and conscientiously meet their fiscal requirements.



Internal Control

According to Professor Neal Geller in his book *Internal Control: a Fraud-Prevention Handbook for Hotel and Restaurant Managers*, Internal Controls are defined as the systems and procedures established and maintained to safeguard a club's assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

While often considered an accounting function, internal control is a management function and the ultimate responsibility for good internal controls rests squarely with management. As such, internal controls should not be considered as a separate, specialized system within the club. Rather, it should be recognized as an integral part of each department and the club as a whole.

Geller says there are three factors necessary for fraud or pilferage to take place:

1. Need and/or desire on the part of the employee.
2. Opportunity created by lax oversight or controls.
3. Failure of conscience on the part of the employee. This failure can be encouraged by management when it sets a poor example regarding perquisites and privileges thereby creating ill-will and a sense of entitlement. It's easy for the employee to rationalize theft if he or she feels that management takes undue advantage of its position to utilize facilities and services or take products or use consumables.

The following standards are inherent in effective internal controls:

- **Documentation.** Internal control systems and all transactions and other significant events must be clearly documented, and the documentation must be readily available to examination (audit).
- **Recording of Transactions and Events.** Transactions and other significant events are to be promptly recorded and properly classified.
- **Execution of Transactions and Events.** Transactions and other significant events are to be authorized and executed only by persons acting within the scope of their authority.
- **Separation of Duties.** Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions should be separated among different individuals.
- **Supervision.** Qualified and continuous supervision must be provided to ensure that internal control objectives are achieved.
- **Access to and Accountability for Resources.** Access to resources and records is to be limited to authorized individuals and accountability for the custody and use of resources is to be assigned and maintained. Periodic comparison must be made of the resources with the recorded accountability to determine whether the two agree. The frequency of the comparison shall be a function of the vulnerability and value of the asset.

Internal Control for Private Clubs may be purchased on the [PCPM Marketplace store](#).

Take Away: Internal controls are an essential management function to protect club assets.



#32

Cost of Goods Sold

Cost of Goods Sold is the true cost of selling retail items taking into account the cost of purchasing resale items and the price charged members for those same items after all discounts and adjustments. Given that items are purchased for resale at different times and different prices and those same items are then resold to members at different times and different prices, computing Cost of Goods Sold (CoGS) could be a complex matter.

Fortunately, Generally Accepted Accounting Principles allow for a far easier computation.

$$\text{CoGS} = \text{Beginning Period Inventory} + \text{Resale Purchases during the Period} \\ - \text{Ending Period Inventory} \pm \text{Adjustments \& Transfers}$$

If you stop and consider the logic behind this formula, it makes perfect sense that this computation would yield the actual cost of selling retail items during a given period.

Finally, the actual cost (or value) of resale items sold is divided by the retail sales for the period to determine what percentage of total retail sales was spent for those items purchased by members. Put another way, it represents the amount of cost for each dollar in retail sales.

$$\text{Costs of Goods Sold \%} = \frac{\text{Cost of Goods Sold}}{\text{Retail Sales for the Period}}$$

A quick method for following your Cost of Goods Sold is assume that the beginning and ending inventories will be roughly equivalent. Thus, by simply tracking the amount of your resale purchases during a given accounting period and dividing that amount by your sales, you can have a quick check on the Cost of Goods Sold.

[*Basic Accounting and Financial Management for Club Managers*](#) and [*Accounting on the Go*](#) can be found on the PCPM Marketplace store.

Discussion Points: The Cost of Goods Sold allows a manager of a retail department to compute the cost of items sold and understand the contribution of retail sales to the department's bottom line. Review in detail the above formulas and how they provide accurate and easy-to-understand indicators of selling costs.

Take Away: Managers of retail operations must know how the cost of goods sold is calculated and understand the various variables that affect the computation.



#33

Cost of Goods Sold Analysis

One of the major issues with tracking one's departmental Cost of Goods Sold is extreme variation from month to month. Often, a department will have an extraordinarily high Cost of Goods Sold % one month, followed by a low one the following month. The problem with such fluctuation is that it lulls the manager into a habit of waiting to see if out-of-line Cost of Goods Sold will come back in line the next period. The danger in this is that if the problem is related to pilferage or theft, the manager allows it to continue for some time before investigating or taking action.

What this means is that managers must take great pains to conduct accurate monthly inventories and thoroughly investigate any out-of-line Cost of Goods Sold as they happen. There are several tools to help managers do this. [Cost of Goods Sold Analysis, Accounting Policy A-1511](#), provides a detailed explanation of those factors that can contribute to out-of-line Cost of Goods Sold. Also, [Cost of Goods Analysis, PCPM Form 244](#), can be used as a checklist to try to find contributing factors. The simple act of benchmarking the dollar amounts of your inventories and your Cost of Goods Sold Percentage month to month on the Cost of Goods Analysis form will help you spot inventory problems.

Lastly, two Accounting Policies, Monthly [Resale Inventories – Food, Beverage, & Retail, A-4501](#), and [Investigation of Inventory Discrepancies, A-4509](#), both give helpful tips to better organize your storerooms and conduct more accurate inventories.

Discussion Points: Discuss the importance of retail managers understanding variations in their Cost of Goods Sold. What are some of the reasons a Cost of Goods Sold may be out-of-line? Review each of the policies and forms mentioned above so that managers understand the detail of Cost of Goods Sold Analysis.

Take Away: Timely investigation and analysis of out-of-line Cost of Goods Sold will allow the manager to pinpoint the problem and identify possible theft or pilferage.



#34

Labor Cost

Payroll and related expenses are typically the single largest expense in club operations. Of all the things a manager must do well, monitoring and controlling payroll costs is one of the most important. There are multiple factors that determine a club's overall payroll cost. These include compensation cost, number of hours worked, amount of overtime, and benefit costs and payroll taxes.

Compensation costs include salaries and wages. In any department there are typically one or two supervisors who are exempt from overtime and salaried while the rest of the staff are non-exempt, paid an hourly wage, and are subject to payment of overtime. While supervisors have control over rates of pay for hourly employees, there are some constraints such as minimum wage laws, prevailing wages, pay parity issues, and the department payroll budget.

Hours Worked. The number of hours worked by employees is directly dependent upon the work schedule that you establish for your employees. While it may be natural to assume that the more staff you have scheduled for any shift, the better your service levels will be, experience has shown that being overstaffed can frequently lead to poorer service as boredom, lack of urgency, and lack of productivity pervade the workplace.

Overtime. Since overtime hours are 50% more expensive for the club than regular hours, supervisors must be vigilant in avoiding unnecessary overtime. The first and most important step in controlling overtime is to carefully monitor employee work hours on a daily and weekly basis. If you do this, you'll see in advance if any employee is on track to work more than forty hours in a week. In most cases, you'll be able to take corrective action to avoid the overtime.

Benefit Costs and Payroll Taxes. Eligibility for benefits is usually based upon employment categories. Full time employees usually receive full benefits, while part time and seasonal staff have more limited or no benefits. Establishing staffing guides for the department with a specific number of full-time positions will establish the extent of benefit costs.

While a supervisor has no control over the levels of payroll taxes, most of these costs are directly dependent on the wages paid. Since total wages paid is dependent upon number of hours worked, supervisors will control taxes by keeping hours worked to a minimum consistent with quality expectations and standards.

Discussion Points: Discuss each of the elements of payroll cost and which of these managers have the most control over. What steps can a manager take to control his or her payroll costs?

Take Away: Payroll costs are the single largest expense in club operations and warrant the closest management attention to control.



#35

Labor Cost Control Strategies – 1

While there is no single answer to controlling labor costs, there are many different things that can be done to ease the task.

Forecast Scheduling. Using various tools at your disposal such as benchmarked levels of business, the schedule of club-sponsored events, and the catering forecast, supervisors should attempt to forecast their staffing needs at least one month out. The one-month horizon is important in that it allows time to contact, hire, and train seasonal help.

Seasonal Hires. When business conditions dictate (i.e., when the forecast shows business levels increasing), supervisors should begin bringing in seasonal hires. They can be people who you have already been interviewed, hired, and trained such as former employees or employees hired specifically for seasonal work. Conversely, supervisors should also plan for the sudden deceleration as the busy season comes to an end. Intelligently managing both the expansion and reduction of staff results in significant payroll cost savings while maintaining expected service levels.

Budget Time Off. Clubs have fluctuations in business on a daily and weekly basis as well as seasonally. These fluctuations can result in legitimate overtime. Having also said that we want to avoid overtime costs as much as possible, the same fluctuations in business that cause these costs can also help us balance them out. Using the concept of Budget Time Off, a supervisor can send employees home early on a slow day. When the work is done or business is slow, employees are sent home.

Cross Training. In a small organization like a club, it does not make sense to have a large staff of specialists. Rather, managers should have a smaller staff of people who are cross-trained to cover multiple functions. Often while one area of the club is slow, another is busy. Most cross training takes place within departments and allows a supervisor to deal with sickness and emergencies.

Departmental Shares. Another form of cross training is inter-departmental and results in departmental shares – employees who can work in two or more areas as the level of business requires. Departmental sharing requires close coordination and communication between department heads to ensure that the needs of both staffs are met, and cumulative overtime is avoided. Supervisors who are interested in exploring the possibility of departmental shares should pick other departments whose workload is dissimilar to their own.

Discussion Points: Discuss the various strategies listed above with managers. Have them point out obstacles to implementing and how those obstacles can be overcome.

Take Away: Because of the impact of payroll on the club's bottom line, systematic labor cost control strategies should be a part of each manager's efforts.



#36

Labor Cost Control Strategies – 2

While there is no single answer to controlling labor costs, there are many different things that can be done to ease the task.

Project Work. When fluctuations in business create short-term lulls, supervisors who are concerned about keeping staff productively employed should assign project work. In a club operation, particularly one that has been busy, there are many things that are deferred in the rush of business. These deferred items, such as intensive cleaning, polishing the details, and straightening out back-of-house areas, make excellent project work. Because you never know when business will suddenly slow down, supervisors should have a ready list of necessary project work. With this list at hand, it's a simple thing to assign the work whenever staff have excess time on their hands in lieu of sending them home.

Sending Home Early. Sending home early is self-explanatory and easy to do. It requires the will to do it, vigilance on the part of the supervisor, and a feel for the business. While there is always some risk involved that you may suddenly get busy and need the full staff, supervisors should take the risk and depend on the dedication and professionalism of remaining staff to rise to the occasion. Experienced supervisors know that good hospitality employees have an overdrive that they can kick into for short periods of time to get the job done.

Layoffs. As long-term busy periods wind down, supervisors are often faced with the difficult task of reducing staff. While no one enjoys laying off employees, it is much easier to do if the employees involved were hired seasonally and already know that their hours will be reduced, or they will be laid off when the busy season is over.

Voluntary Leaves of Absence. Before a supervisor considers staff layoffs, he should inquire if anyone on his staff wants to voluntarily leave. There may be a seasonal employee who for some reason wants to leave or a full or part time employee may want to take an unpaid leave of absence. While no one may be interested, it's always worth asking before another staff member is involuntarily laid off.

Scheduling Vacations. Full time employees earn vacation time. Some employees, by virtue of their longevity, have substantial amounts of vacation to use each year. Supervisors should consult with these employees to schedule their vacations during slow times when the supervisor will not be forced to replace them on the schedule.

Discussion Points: Regardless what combination of strategies ultimately proves most helpful, continuing success depends upon a disciplined vigilance, attention to business levels, and scheduling on a daily basis.

Take Away: Because of the impact of payroll on the club's bottom line, systematic labor cost control strategies should be a major part of each manager's efforts.



Budgeting

Budgeting is the process of establishing a financial operating and capital plan for a future fiscal year. Budgets are formulated using history, benchmarks, knowledge of upcoming events or trends, and one's best professional judgment.

Most managers are familiar with the concept of budgeting, but here are some observations and disciplines that will organize and streamline the process:

- First, those individuals responsible for financial performance of club departments must prepare the budgets for which they are accountable. In some organizations budgeting is a top-down process that robs the people responsible for performance of the incentive to meet budgets.
- The budgeting process can be streamlined by having the controller prepare standard spreadsheet formats for budgeting. Each department head is then given the blank spreadsheets for his or her department. When completed, department heads return the spreadsheets to the controller in both paper and electronic form. The controller reviews the paper copy and then copies and pastes the electronic copy into the club's Master Budget file. When all departments have been entered, the draft budget is finished and ready for the general manager's review.
- The budgeting process starts with the board and/or the general manager deciding upon strategic direction and specific goals for accomplishment during the coming fiscal period. These goals often have a direct impact on departmental budgets and therefore must be taken into account during the budgeting process.
- With goals in hand, department heads start to build their budgets. The first step is to project revenues for the coming year since the level of business will have a direct impact on expenses, both payroll and other operating expenses. Revenue projections are far easier if managers have benchmarked their revenues and the interplay of volume and average member expenditure that underlies all revenues. When previous year benchmarks for revenues are available, all the manager has to do is to create data entry cells in the budget spreadsheet for projected volume and average member expenditure for each revenue category. These then automatically calculate revenues by category. The added advantage is that reviewing parties can easily see the assumptions underlying revenue projections.
- Payroll projections can be calculated similarly when payroll benchmarks are kept. Here the data entry cells are for payroll hours and average hourly wage. Again, the reviewing parties can easily see the assumptions underlying wages and related payroll expenses.
- Cost of goods sold for resale departments can easily be calculated by multiplying monthly retail sales projections by the target cost of goods sold percentage.
- Lastly, other operating expenses are easily projected when managers have maintained the Tools to Beat Budget discipline in prior years.

See [Annual Budgeting Disciplines – An Essential Element of Performance Management](#) for more information.

Take Away: Budgeting can be organized and simplified by various disciplines such as using standard departmental budgeting spreadsheets, data entry cells for key projections, and Tools to Beat Budget.



Benchmarking – 1

Like the pilot of a plane or the captain of a ship, a club manager needs to know that all systems are operating within desired parameters. How will he or she know without detailed measures of performance? The club's monthly operating statements provide good basic information, but these summary numbers can mask troubling trends within the operation. For instance, higher food revenues can be a result of less patronage, but each member spending more because of higher menu prices. The manager is happy with the higher revenues but is blissfully ignorant of declining member usage

[Benchmarking](#) is the act of measuring and analyzing operating performance, helping managers better understand the patterns underlying a club's operation. Everything in life follows patterns. When patterns are tracked and analyzed, they can be used to predict future operations.

Benchmarking is best accomplished by club department heads who have bottom line responsibility. They have an absolute need to know and understand the underlying factors that affect their revenues and expenses. Each department head will need to decide what are important data to track. Most performance measures will fall into the following broad categories:

- Revenues and expenses, both aggregate and by type
- Expenses, particularly payroll
- Inventories
- Retail sales mix to determine buying patterns of members
- Processes to track specific tasks or events

Most of the raw data necessary to benchmark comes from point-of-sale (POS) reports. Much of the lode of daily information gets looked at briefly by department heads or the accounting office and is then filed away, rarely to be seen again. The real value of this information comes from tracking it over time to determine trends by day of week, week to week, month to month, and year to year. This makes it necessary for managers to pull the daily information from POS reports and enter it into spreadsheet software.

Even without sophisticated POS systems, benchmarking can still be done. Cash registers offer a fair amount of data, but state-of-the-art POS systems provide the most information and the greatest flexibility of reports. Despite these reports, it is still necessary to transfer daily data into electronic spreadsheets that allow archiving of data for future analysis.

Benchmarking is not complicated, but it does require organization and persistence. It is best accomplished by setting up routine systems to collect, compile, report, and analyze the information collected.

Take Away: The discipline of benchmarking tracks the underlying statistics of club operations, enabling managers to better understand their business.



Benchmarking – 2

Reasons to benchmark include:

- Establishing the baseline or “benchmarks” of existing operational performance.
- Comparing future performance to the benchmark.
- Establishing realistic performance goals for future periods.
- Creating measurable accountabilities for managers’ performance.
- Comparing a period’s performance with past periods, other similar operations, or the industry as a whole.
- Identifying under-performance or best practices.
- Improving the accuracy of budgets.
- Forecasting business levels.
- Measuring member response to new products/services and initiatives.
- Establishing the condition of the operation when a new manager assumes charge.
- Establishing parameters for bonuses and other performance-based incentives.

A few caveats:

- There are as many aspects of an operation to measure as time, resources, and ingenuity will allow. Focus on those most critical to a department’s operation.
- Data used in benchmarking must be defined and collected in a consistent manner.
- When comparing data, always compare like to like.
- Ensure benchmarks measure practices and processes with only one underlying variable.
- Do not draw conclusions from too small a sample. The larger the sample, the more accurate the conclusion.
- When two pieces of data are compared to generate a benchmark, both a small sample size and extreme volatility in one or the other, can skew the resultant benchmark.

Note: Private Club Performance Management has created spreadsheets to track benchmarks for each club department. Spreadsheets are set up to track and compare daily, monthly, and annual benchmarks depending upon departmental needs. These spreadsheets are included in the [Club Benchmarking Resources](#) material.

Take Away: There are many important and useful reasons to benchmark. Managers should not miss this opportunity to better understand their business and make better business decisions.



#40

Benchmarking and Budgeting

When managers benchmark their department's performance, they have a wealth of detail to assist in developing future period budgets.

By setting up a bank of data entry cells in a spreadsheet (shaded below), the manager defines the assumptions underlying revenue projections at the same time he creates those projections. Nothing could be simpler – the spreadsheet is set up to automatically multiply the number of rounds by the benchmark for each revenue category to project future sales. Such clearly stated assumptions make it easy for those who review the budget to understand how the projections were made. It also makes it easy for the manager who has missed his or her projections in a given period to go back and see why they were missed – either not enough customers (in this case, rounds of golf) or lower expenditures per round.

Assumptions

	Oct	Nov	Dec	Annual
Projected Rounds	3,300	2,800	2,250	28,550
Green Fees per Round	21.40	20.15	18.75	22.20
Cart Fees per Round	12.75	12.35	12.00	12.90
Merchandise Sales per Round	1.75	1.85	3.05	2.50
Practice Range Income per Round	1.35	1.05	1.50	1.45

Income

Green Fees	\$70,620	\$56,420	\$42,188	\$633,810
Cart Fees	\$42,075	\$34,580	\$27,000	\$368,295
Merchandise Sales	\$5,775	\$5,180	\$6,863	\$71,375
Practice Range Income	\$4,455	\$2,940	\$3,375	\$41,398

Projected Revenues using Rounds and Revenue per Round Benchmarks

Once revenue projections are made, it is easy enough to project operating expenses if they have been benchmarked as a percentage of revenues. Therefore, if office supplies have historically run at say .12% of revenues, then it's a good bet, that absent significant change, they'll continue to run at that level.

Given the magnitude of payroll costs in most operations, payroll can also be projected using volume (number of hours worked) and average hourly wage benchmarks. These are easy enough to track since gross pay is a function of how many aggregate employee hours are worked and what the gross payroll amount is for any given pay period and by extension for the entire fiscal year.

My own experience with benchmarking for over 30 years has proven not only the practicality of benchmarking to better understand one's operation, but also as the most effective tool for easy and accurate budgeting.

Take Away: The discipline of benchmarking will make budgeting far easier and more accurate.



#41

Tools to Beat Budget – Real Time Accounting

[Tools to Beat Budget](#) is a discipline to:

- Assist managers with bottom line responsibility in meeting the goals of their annual operating budget.
- Help managers become more familiar with the details of their operation.
- Provide managers with more real time information about the health and well-being of their operation.
- Make it far easier to prepare accurate budgets in coming years.

The concept behind Tools to Beat Budget is no different than an individual monitoring personal income and expenses in real time each month. While simple in concept, Tools to Beat Budget does require managers to monitor all revenues carefully and view each expense account (payroll and other operating expenses) as if their balances were maintained in a separate checkbook. Therefore, managers must deduct all expenses as incurred and keep a declining balance on each account.

As with any other management tool, Tools to Beat Budget is only as valuable to a manager as the effort put into it. Managers should keep in mind that if their operation was their own business, each of the tools would be a necessary part of maintaining the business' profitability. While club managers don't own their operations, management's responsibility to ensure financial performance is just as much a necessity.

Note: To avoid missing any invoices managers should check with the controller to make sure they receive copies of all invoices for their departments that might go directly to the accounting office. A printout of the department's General Ledger detail will allow you to see all charges posted to their expense accounts.

Take Away: Tools to Beat Budget is a program that will help managers meet or beat their budgets by the discipline of real time recording and tracking of revenues and expenses.



#42

Tools to Beat Budget – The Program

The Tools to Beat Budget program is made up of the following elements which are filed under the appropriate tabs in a large (3 inch) 3-ringed binder:

- **Annual Budget.** Each Department has a budget comprised of: Departmental Schedule, Departmental Revenue Assumptions (profit centers only), and Departmental Payroll Cost Assumptions. The budget is the financial plan for that department for the fiscal year.
- **Monthly Profit & Loss Schedules.** Actual profit and loss schedules for each month as prepared and distributed by the club's accounting office. The Monthly P&L's report actual financial performance for the period and year-to-date (YTD) and compare them to the budget.
- **Weekly Revenue Reports.** Reports prepared by the accounting office and distributed weekly showing revenues by department (profit center only – see [PCPM Form 203](#) for an example). This report also compares YTD actual to YTD budgeted revenues. This report also computes key departmental revenue benchmarks which can be compared to budgeted benchmarks. The format for this report may vary from club to club, but the essential revenue information must be included in the binder.
- **[Pay Period Summary Reports, PCPM Form 229](#).** Reports prepared and distributed for each pay period which show payroll costs by department. This report also compares YTD actual to YTD budgeted payroll cost. Finally, it computes the average hourly wage by department and compares it to the budgeted amount. The format for this report may vary from club to club, but the essential information of payroll costs for the department must be included in the binder.
- **Cost of Goods Analysis.** This worksheet is available for those departments with retail sales, i.e., golf, food, beverage, tennis, and other retail outlets. Department heads can compute and track their cost of goods percentage and compare it with the budgeted cost of goods. In addition, they use the [Cost of Goods Sold Analysis, PCPM Form 244](#), to record the Cost of Goods Sold numbers month to month to help analyze trends.
- **Other Expense Log.** These worksheets allow department heads to record their monthly Other Operating Expenses each month by expense account. By keeping these logs, department heads will know how much they have spent of their budgeted amount for each expense category.

Note: Resale purchases such as food and beverage and retail items are not considered Other Operating Expenses and Expense Logs are not kept for these items. They will be accounted for in the Cost of Goods Sold calculation. It is still a good idea for department heads of resale departments to get the General Ledger detail of such purchases and file them in the Tools to Beat Budget binder.

Discussion Points: Discuss the above points in detail to ensure complete understanding by all managers.



#43

Teachable Moments

The Discipline of Reports

Imagine a pilot of a commercial airliner in the cockpit of her plane. At any moment of the flight from pre-flight preparation, take off, cruising to destination, to approach and landing, she has a host of dials, gauges, and indicators that keep her informed of the status of all operating systems and external factors affecting the plane, thereby assisting her in taking the appropriate action to assure the safety of plane and passengers.

It may be argued that club operations are just as complex with thousands of details that must be attended to daily (though without the serious safety implications). Yet the person with overall responsibility for club operations – the general manager – has limited mechanisms to gauge the health and vitality of the enterprise in anything approaching real time. In some clubs the only indicator of developing problems is the monthly financial statement that becomes available weeks later. Even then, the summary information in the club's operating statement provides only a limited assessment of performance at best.

Modern point of sale and club management software systems have come a long way in providing the underlying detail of the operations with "drill-down" capabilities and custom reporting, yet how many general managers avail themselves of this trove of information or make a formal effort to analyze the detail in the longer-term context of goals and budgets?

This brings me back again to reports. A discipline of formal reporting can and does provide a means of monitoring specific information on a regular basis. As such, reports are an important mechanism for the general manager, as well as department heads, to monitor performance in a timely and efficient way. For the department head tasked with preparing the report, it is a disciplined means of focusing on the important details of departmental operations while creating a record of ongoing initiatives, progress toward goals, and departmental performance. Once established, the discipline of routine periodic reports is the best way for a subordinate manager to influence the boss's perceptions about his or her performance.

For the general manager, regular reporting of key information from department heads is the best way to monitor departmental performance with the least investment of time. For department heads, once the initial decisions about what to report and reporting formats are made, completing the reports will take but a few moments of time.

Discussion Points: Discuss the benefits of reporting for both the general manager and department heads.

Take Away: Formal, periodic reports are an excellent discipline for focusing on important operational details and creating a written record of progress and performance, while keeping the general manager informed with the least amount of time.



#44

Reports I Like to See

- **Informal daily P&Ls** from the club's most important revenue generators – golf and food and beverage. These 'dailies' show key revenues by category, estimated cost of goods sold based on historical percentages, actual labor cost, and estimated other operating expenses based on historical levels. The importance of the daily report is that it pinpoints the absolute importance of revenue generation and the impact of labor on the department's bottom line daily.
- **Weekly Revenue Report** prepared by the controller. This report shows key revenues, as well as the key underlying volume and average sale benchmarks, by day of week and summarized for the week and compares them to a year-to-date budget target.
- **Pay Period Summary Report** prepared by the controller detailing payroll hours by category (regular, overtime, holiday, vacation, and sick time) and cost by department and the club.
- **Monthly Benchmarking Reports** by department. Key benchmarks provide detail about departmental operations. Prepared by department heads, they not only provide the general manager with underlying detail, but they also assure the department heads are paying attention to these numbers.
- **Monthly Executive Metrics Report** summarizing key benchmarks prepared by the controller and provided to all recipients of the club's financial statements. An excellent way to keep club leaders and decision makers informed of key data underlying the club's performance.
- **Monthly Personnel Report** prepared by the HR Manager providing employee counts by department by employment category (full time, part time, and seasonal), summarizing key personnel actions (hiring, terminations, and discharges for cause) and the employee turnover rate by department and for the club. This report will quickly pinpoint departments with leadership and morale issues as evidenced by high levels of turnover.
- **Monthly Utility Benchmarks** prepared by the facilities manager tracking utility usage and cost by type (electricity, gas, water). Utility consumption to generate heating and air conditioning should be compared to degree days to account for the volatility of temperature.
- **Monthly Departmental Summary** reports prepared by department heads covering basic monthly performance, problems and issues, projects and initiatives, and progress toward annual department goals and the department head's work plan. This short summary report (usually no more than one page) is brought to the Monthly Review of Financial Statements meeting along with the Tools to Beat Budget binder and presented to the general manager.
- **Weekly and Monthly Membership Reports** prepared by the membership director, presenting all membership sales activity, including prospect contacts, membership sales by category, and progress on the specifics of the Membership Marketing and Membership Relationship Management plans.

While this list may seem like a lot of work, once the discipline of preparing and submitting these reports is established, department heads will discover that they are just part of operational routine. On the other hand, the benefit of everyone paying attention to key performance indicators is well worth the effort. Ultimately, it makes the general manager's challenging job easier and serves to make club operations more efficient.

Take Away: Reports are an essential element of monitoring the performance of the club while keeping the general manager informed of key operating detail.



#45

Monthly Review of Financial Statements

In order to ensure that the club meets the financial objectives of its annual operating budget, it is imperative that all department heads monitor their monthly performance closely and be prepared to answer questions about their department's performance.

On a monthly basis after the final statement is prepared and distributed, the controller will set up a schedule of meetings for department heads to meet with the general manager and controller to review individual department's performance.

Department heads must be prepared to answer detailed questions about their department's performance and give reasons for any significant variance from budgeted amounts. Department heads will bring their individual copies of the Tools to Beat Budget binder to the meetings and be prepared to discuss any issues with their departmental performance.

Department heads can prepare for these meetings by carefully reviewing their departmental P&L schedules, obtaining a copy of their General Ledger detail of their expenses from the accounting office, and ensuring that their Tools to Beat Budget binder is up-to-date.

Department Heads must also be prepared to present plans to remedy significant or ongoing shortfalls in revenue or overages in expense categories.

Finally, these monthly meetings with the general manager are an excellent opportunity for each department head to brief the general manager on their progress toward the objectives and timelines of their Departmental Plan and annual Work Plan.

Take Away: The [Monthly Review of Financial Statements](#) is a performance management discipline to hold department heads accountable for the operating results of their department and keep the general manager informed on progress on goals, objectives, and plans.



Private Club
Performance
Management

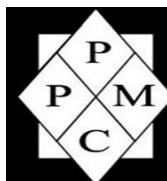
Management Disciplines

#46

Financial Management for Managers

Just as a club has need for a [Managers' Handbook](#) to ensure that all managers have a common understanding of their duties and responsibilities, it also has the need for an accounting handbook so that all managers will understand the requirements of their fiscal responsibilities and meet them in a consistent way.

This booklet – [Basic Accounting and Financial Management for Club Managers](#) is available on the PCPM Marketplace store.



Private Club
Performance Management

Basic Accounting and Financial Management for Club Managers



Ed Rehkopf

Take Away: All managers and supervisors must have a common and complete understanding of the club's standards, policies, and procedures of its accounting requirements. The booklet *Basic Accounting and Financial Management for Club Managers* is intended to do this.



#47

Purchasing

Purchasing and handling merchandise and supplies is a major responsibility for managers. Retail operations such as pro shops, general stores, and food and beverage outlets purchase resale merchandise and products on a regular basis. The need to purchase at the best price and receive and handle incoming items properly requires the ongoing attention of department heads.

Even those without resale operations may purchase large quantities of consumable supplies such as cleaning products, ware wash chemicals, pool chemicals, laundry products, etc. These consumable supplies can represent a major cost for the club and their purchase price, handling, and use should be carefully monitored by managers.

A club should establish purchase authority and limits for all club purchases and managers should be made fully aware of these requirements. [Club Accounting Policy, A-4001, Purchase Authority and Limits](#), is an example of a purchase authority and limits policy.

Managers involved in purchasing must always seek the best price by shopping around with multiple purveyors. Again, a policy example can be found at [Club Accounting Policy, A-4005, Competitive Pricing](#).

Purchasing managers must also understand the pitfalls of receiving gifts from vendors and purchase rebate programs as spelled out in Club Accounting Policies, A-4010, Gifts from Vendors and A-4015, Purchase Rebate Programs. Managers must abide by the highest standard of ethics as spelled out in these policies, as well as the Managers Code of Ethics.

Take Away: Managers must be aware of and follow all the requirements of a club's purchasing policies.



#48

Receiving

When received, all purchased items must be inspected to ensure the correct item, count and/or weight, and that all items are undamaged or unspoiled. It is also important that any authorized employee receiving a purchased item carefully inspect the item to ensure it is the item ordered, is complete, intact, and has the correct count and/or weight.

Items received should be carefully compared to items listed on the packing slip, purchase requisition, or purchase order. The receiving employee indicates the order is correct and complete by writing "Received," signing, and dating the packing slip, purchase requisition, or purchase order.

After inspecting the order and ensuring that it is correct and intact, the employee should file the receiving paperwork (packing slip, purchase requisition, or purchase order) in a departmental receiving file until the vendor invoice is received.

Upon receipt of the vendor invoice, the authorized employee will:

1. Attach the approved purchase requisition, purchase order, and/or packing slip to the invoice,
2. Stamp and date the invoice with an invoice coding stamp supplied by the accounting office,
3. Initial and date the invoice coding stamp if the invoice agrees with the items received, and
4. Resolve any discrepancies as soon as possible with the vendor and note resolution on the invoice.

The invoice is then coded with the appropriate expense coding, approved by the department head, and forwarded to the accounting office for processing and payment. The accounting office will process invoices on a regular schedule and then submit them to the general manager for approval.

In approving invoices for payment, the general manager should cancel or invalidate the invoice by marking through it and signing it (or some other indelible marking to indicate it has been approved for payment and cannot be submitted again for another payment). Once approved, disbursements are made.

Take Away: Managers who receive merchandise and supplies for the club must be familiar with and consistently follow receiving policies.



#49

Expense Coding

Coding standards are established to ensure that all purchasing managers correctly code their invoices and that all coded invoices turned in to the accounting office are coded correctly and accurately. Correct and accurate coding of invoices by all purchasing managers would greatly reduce the workload of the club controller, thereby permitting him or her to focus on other pressing issues and assisting department heads and the general manager with other accounting issues and outreach programs.

One controller estimates that 50% of the time spent in processing payables could be saved by purchasing managers correctly and accurately coding their invoices.

Coding Standards for all invoices include:

1. Using a Coding Stamp. This stamp should be ordered by the controller and distributed to all managers who will be coding invoices.
2. Entering the month and department to which the expenses will be charged.
3. Entering the General Ledger account code from the club's chart of accounts. It's a helpful discipline to create and use an expense dictionary to aid in consistent coding of purchased items.
4. Entering the corresponding total dollar amount charged to each account code.
5. A notation indicating what the charge(s) are for.
6. The coding manager's signature or initials.
7. The date the coding takes place.

Take Away: Purchasing managers must know and consistently follow standards when coding expenses.



#50

Invoice Payment Certification

Mark Clayton, Chief Financial Officer for East West Partners Club Management, provided this excellent reminder of what a manager is certifying when he approves an invoice for payment.

“When approving and submitting an invoice for payment, a department head or manager must understand that they are certifying to the controller and the general manager that the item (or service) is appropriate to pay because:

- **It was Ordered.** Beware of companies that send out fake invoices to see who will simply pay it because somebody figures someone else probably ordered it or that someone else got it.
- **It was Received.** Check the shipping address on the invoice. It should have come to your club. It should not have been drop shipped somewhere else. Make sure it wasn't a delivery for the club down the street with the similar sounding name – let them pay for their own stuff!
- **It was Inspected.** Don't let your employees quickly sign for stuff so that the delivery guy can be on his way. Make sure you received exactly what you are signing for.
- **It Is The Right Item.** Is it what you expected, and will it be used? Is it what you contracted for?
- **It Is The Right Price.** Is it the price they quoted you?
- **It Is The Right Quantity.** Is it the amount you ordered? Did they short you or did they send too much to see if you'll pay for it because you'll think that you'll probably use it eventually anyway?
- **It Is Complete.** If you are authorizing payment for a contracted service, make sure it is complete to your satisfaction before you pay a vendor in full.

If you can't say YES to all these statements then you need to ask some questions and do some research before you submit anything for payment (after all, you would be that careful if it was your money being spent). Take the extra time – it's YOUR responsibility.”

Take Away: When you submit an invoice for payment, you are certifying a number of things so make sure they are correct before you do.



#51

Storerooms and Par Stocks

All storerooms used for storage of resale and consumable inventories must be properly secured and organized. It is also important that managers establish par stocks storage areas to provide ready access to reasonable levels of inventory for daily operating needs.

Storerooms

1. Proper storage of inventories reduces damage and spoilage of stock.
2. Proper organization (appropriately labeled shelving and items stocked on shelves in the same order as listed on inventory sheets) will reduce the amount of time needed to conduct month-end inventories. Cases of product should not be opened until previously broken-down cases are fully consumed.
3. To reduce spoilage, stock should be rotated so that older stock is used first.
4. Inventories represent assets of the club and must be safeguarded.
 - a. Access must be limited to as few employees as possible.
 - b. Doors to storerooms must be closed and locked at all times.
 - c. Keys to storerooms must be assigned to specific individuals by means of a key register and a key control plan must be in place to ensure proper issuance and recovery of keys. Lost keys must be reported to the general manager immediately. Keys to these areas must be closely controlled.

Par Stocks

1. Consumable items of inventory must be available to line employees, but only in sufficient quantity to meet daily needs.
2. These stocks should be established at “par” or pre-arranged levels and replenished daily by supervisors by means of inventory and issue forms. Such par stocks might include restaurant paper supplies, alcoholic beverages, sodas, snack mix for the bar, and other items consumed during normal operations.
3. Par stocks should be kept in secured lockable closets, drawers, cabinets, and other easily accessible locations for use by line staff.
4. When par stocks are significant, they should also be counted during month-end inventories to properly compute the cost of goods sold.

Take Away: Organizing and properly securing storage areas is an important requirement for managers with resale and supply inventories.



Inventories

All resale stocks must be inventoried on a monthly basis. Such routine inventories are used as a control mechanism to verify the amount of stock on hand, to determine the cost of goods sold, and to ensure that the operation does not run out of any item of stock unexpectedly.

Department heads for food, beverage, and any retail operations, such as golf shop, tennis shop, or general stores, will ensure that inventories are properly conducted. A limited number of well-organized storerooms will make monthly inventories easier and less time consuming to conduct. Those responsible for food and beverage resale inventories may also want to let stock levels dwindle in the period leading up to inventories to make the count less time-consuming.

Responsible department heads will conduct their monthly inventories on the last day of each month, or if that day falls on a day the club is closed or extremely busy, the department head with the concurrence of the controller may conduct the inventory on the previous or next day. Regardless of the date selected, the exact date of the inventory must be entered on the top of any inventory count sheets. If the day of the inventory is materially different from the end of the period, then sales and inventory must be aligned as closely as possible to give the most accurate cost of goods sold.

Responsible department heads will organize their work and storage areas to ensure that they are set up to allow as quick and efficient an inventory as possible. Techniques to do this include:

- Noting counts on “unbroken” boxes, i.e., those boxes that have not yet been opened.
- Removing items from “broken” boxes to ensure that the box is not mistaken as being unbroken.
- Establishing specified locations for the storage of each stock item.
- Ensuring that the order that items appear on inventory count sheets is the same order that stock is stored on shelving (suggested for food & beverage, but not retail inventories). This is not always possible but can aid greatly in efficient inventories.
- Separate inventory locations should be inventoried separately and then combined on a spreadsheet or consolidated inventory report.
- Create and follow a map for counting inventory locations so that you do not inadvertently skip a section.
- Create written instructions for conducting departmental inventories to use as an aid in training those who conduct inventories.

Take Away: Without timely and accurate inventories the cost of goods sold calculation will not be accurate which contributes to wild monthly swings in cost of goods sold.



#53

Human Resources Requirements

Just as a club must have thoroughly documented accounting standards, policies, and procedures (SPPs) to ensure accurate recording of business transactions and reporting of financial performance, the club must also document its human resources transactions – though for different reasons.

All aspects of a club's relationship with applicants and employees affects the enterprise's performance and, significantly, a great deal of it is dictated by multiple federal, state, and sometimes local laws. Ignoring or violating the requirements of these laws puts a club at great risk of legal action and liability for its failures.

For these reasons, a club must have well-defined personnel standards, policies, and procedures and make sure that all managers and supervisors are fully aware of and faithfully comply with them. This can be done through a variety of means such as initial and ongoing refresher training in HR matters, use of a Managers Handbook to train and serve as a reference, as well as compliance monitoring by the HR manager.

To assist in the process of preparing standards, policies, and procedures Private Club Performance Management has created a large number of sample Personnel SPPs and related forms that may be purchased on the [PCPM Marketplace store](#) and customized for individual club operations.

Take Away: Without making the effort to consistently train managers about their human resources responsibilities, some will surely transgress and the repercussions for the club may be significant.



#54

Legal and Liability Issues – 1

As with any small business, a private club must deal with a number of legal compliance and liability issues. A brief discussion of each follows:

- **State Alcohol Laws.** Individual states establish and enforce laws pertaining to the licensing and sale of alcoholic beverages. In addition to adhering to these laws that govern on- and off-premise sales, the hours alcohol may be served, the age of servers, purchasing, and in some cases the disposal of empty bottles, there are strict requirements and penalties for over-serving patrons and serving underage persons.
- **Youth Employment.** The states and federal government have passed laws regarding youth employment. These laws specify industries and professions in which youth employment is banned or restricted. Further, some states still require youths to obtain a work permit before beginning work and all states specify the hours that youths of certain ages may work, as well as banning youths from working with various types of dangerous equipment.
- **Sexual Harassment.** Sexual harassment is a significant concern in the hospitality industry because of the youthful, mixed gender work force and the late working hours involved. Often, but not always related to sexual harassment and/or discrimination, ensuring that the workplace does not become a hostile environment for any employee requires continual vigilance on the part of club management.
- **EEOC/Discrimination.** The Civil Rights Act of 1964, common referred to as Equal Employment Opportunity, requires that employers provide equal employment opportunities and bans discrimination based on race, color, religion, age, gender, national origin, or veteran status. This law covers all aspects of the employment relationship, including hiring, training, promotion, job assignments, compensation, discipline, discharge and application of all of the club's policies, procedures and benefits.
- **Americans with Disabilities Act (ADA).** The Americans with Disabilities Act provides protections to individuals with disabilities similar to those provided to individuals on the basis of race, color, gender, national origin and religion. It guarantees equal opportunity for individuals with disabilities in public accommodations, employment, transportation, government services, and telecommunications. While private clubs are exempt from certain provisions of the ADA, local building codes require ADA-compliant facilities in all new construction or facility renovations.
- **Occupational Safety and Health Act (OSHA).** The Occupational Safety and Health Act of 1970 establishes standards and enforcement mechanisms for ensuring safe workplaces. This legislation and the federal and state agencies established to implement and enforce it have created a comprehensive array of requirements affecting the small business. At the core of a business' responsibilities are ensuring a safe workplace, reporting and investigating all accidents and incidents, training of staff in safe work practices, and recordkeeping.
- **Employment Eligibility Verification.** Employers must verify an applicant's identity and eligibility to work in the U.S. and there are significant penalties for hiring undocumented workers.

Take Away: All managers and supervisors must be aware of and meet the obligations of various legal and liability issues associated with operating a club.



Legal and Liability Issues – 2

- **Uniformed Services Employment and Reemployment Rights Act (USERRA).** Certain requirements are placed upon employers whose employees are members of the Armed Forces Reserves or National Guard called to active duty or meeting their annual service requirements.
- **Fair Labor Standards Act (FLSA).** The federal Fair Labor Standards Act addresses a number of compliance issues associated with payroll recordkeeping, overtime, exempt versus non-exempt status, and various other compensation-related requirements.
- **Family Medical Leave Act (FMLA).** The Family and Medical Leave Act (FMLA) provides certain employees with up to 12 workweeks of unpaid, job-protected leave a year, and requires employers to maintain group health benefits at employee expense (if elected by the employee) during the leave. The details of this act require careful administration.
- **Hiring/Firing/Wrongful Termination.** Hiring, counseling, dealing with misconduct and work performance, and terminations are fraught with legal issues and can become a major headache for the club that does not take reasonable and appropriate steps to train its management staff.
- **Workers' Compensation.** Employees injured on the job are entitled to Workers Compensation. This state-administered program is specific in accident reporting procedures and level and length of benefits. Employers with high incidence of Workers' Comp claims can expect to pay higher insurance premiums.
- **Unemployment.** This federally mandated, but state administered protection for employees who become unemployed through no fault of their own, can become an expensive program for employers who are lax in documenting employee discharges or who do not consistently challenge claims without merit. The higher an employer's unemployment experience, the higher the tax rate.
- **Hazardous Material Handling & Storage.** Clubs utilize a wide number of hazardous materials such as pesticides, herbicides, and fertilizers; chemicals to test, treat, and balance the water in swimming pools; and various cleaning compounds used in housekeeping, maintenance, and the kitchen. In addition to training employees in the correct handling, cleanup, and storage of these chemicals, each facility is required to maintain up-to-date Material Safety Data Sheets (MSDS) on each hazardous material.
- **Food Sanitation.** Ensuring food safety requires careful training of staff and constant vigilance on the part of food service managers. Not only can food-borne illness open the club to liability issues, but the damage caused by an outbreak can damage the club's reputation and bottom line.
- **Public Health – Aquatics.** There are significant safety, public health, hazardous material, and liability issues associated with operating pools. Without operating standards, policies, and procedures, as well as a thoroughly trained staff and carefully documented testing and treatment of water quality, clubs are exposing themselves to liability associated with water-borne contaminants, injuries due to toxic chemicals, and death by drowning.

Take Away: All managers and supervisors must be aware of and meet the obligations of various legal and liability issues associated with operating a club.



#56

Steps to Lower Employee Turnover

Study after study has demonstrated the high cost of employee turnover, particularly in the hospitality industry where the work is so detail-intensive, requiring significant training to meet standards.

Recognizing that the desired outcome of every hiring decision is to find and bring aboard a qualified and enthusiastic person who will make a positive contribution to the success of the club, it is essential for all managers to make efforts to lower employee turnover rates. Here are six steps to help do just that:

- **Hire Well.** Use the techniques of Disciplined Hiring to screen applicants and check references. When possible, use personality profiles to ensure you put the right person in 'the right seat on the bus.'
- **Onboard Well.** Use all the club's tools to both welcome and orient new hires to the workplace. The Employee Handbook, as well as the club and departmental orientations, are designed to provide and reinforce important information to the new hire. Managers must make sure that orientations are welcoming and make all necessary introductions to both supervisors and peers.
- **Train Well.** Both initial and ongoing training is essential. Most people want to do a good job and appreciate the efforts made to train them. Without adequate training and the necessary tools and resources to do their jobs well, new hires will quickly become cynical and alienated. Never forget that their success guarantees your success.
- **Organize Well.** No one wants to work in a chaotic environment. If your department or section is well-organized, if everyone knows where things are, if employees are well-trained in opening and closing procedures, if everyone knows their responsibilities and is held accountable, the workplace runs almost effortlessly. Don't run off good people by putting them through the hell of a disorganized operation.
- **Communicate Well.** Daily interaction and direction ensures that everyone is informed, knows what is going on, and what they must do individually to accomplish the tasks at hand. It is also instrumental in building teamwork and a sense of shared values and mission. Some form of pre-shift meeting or *Daily Huddle* is a necessary discipline to ensure ongoing, consistent communication.
- **Value Them Well.** Remember the ultimate value of people in all you do. Value your employees and they will value you as a leader and their efforts at work.

Take Away: Your leadership is the essential element in your success. If you have high levels of turnover, there is no one to blame but yourself.



#57

Why the Wrong People are Hired

Dr. Bradford Smart, in his book *Topgrading*, says that 50% of all hires are mis-hires. This dismal success rate is no better than flipping a coin. Since the quality of any operation is directly dependent upon the quality of its staff, club's must make an effort to hire well – not only managers and supervisors, but also front-line staff.

While there is no fail-safe method of hiring only the right people, there are common denominators underlying most mis-hires. They include:

- The failure of hiring managers to use “due diligence” in hiring applicants.
- Lack of supervisor's screening, interviewing, and reference-checking skills.
- Hiring managers not taking full responsibility for the hiring process by assigning or delegating the responsibility of hiring to another person who may not understand the needs of the position or who has no vested interest in a successful hiring outcome.
- Hiring a “warm body” to fill a position.
- Failure to learn from past hiring mistakes.

When club management recognizes why the wrong people are so often hired, they are in a position to do something about it.

- First and foremost, train managers in proper screening, interviewing, and reference-checking techniques.
- Next, use various tools to help in the hiring process, such as interviewing and reference-checking forms.
- Lastly, establish and maintain a discipline of using the techniques and tools of Disciplined Hiring in all hiring situations.

Take Away: Hiring well pays great dividends in all areas of club management and operation and warrants the use of Disciplined Hiring tools and techniques.



#58

The Damage Done by the Wrong People

Dr. Smart lists the many downsides of hiring and retaining the wrong people, whom he calls C-Players, as managers or supervisors. He says they:

- “Embrace tradition over forward thinking.
- Have difficulty coping with new and complex situations.
- Prefer the status quo.
- Lack credibility, so others are hesitant to follow them.
- Require specific direction [from superiors].
- Hire mostly C-Players [A- and B-Players are viewed as threats].
- Tolerate mediocrity.
- Drain energy from others; their [inaction or] actions prevent synergy.
- Sporadically meet expectations.
- Bend the rules.
- Have mediocre skills [and seldom seek self-improvement].”

Hiring and retaining low performing managers or supervisors can have a long-term ripple effect in an organization. On the other hand, hiring A-Players for those critical leadership positions in a club can have long term positive effects.

If hiring the right people is critical in hiring the managers and supervisors of the club, it is also important, though for different reasons, in hiring line employees – those that interface directly with members. The dangers in hiring the wrong people in member-interface positions include:

- The damage they can do to member service.
- The turmoil they create in your work team while they are with you.
- The amount of time that you must spend in training and retraining them.
- The amount of time that you must spend in counseling, disciplining, and ultimately terminating them.
- The lost opportunity of using your limited time and resources to work with them – time that could be better spent on other initiatives and pressing issues.
- The cost of replacing a substandard employee – both in terms of hiring and training a replacement.
- And the emotional wear and tear on everyone involved.

Take Away: Hiring poorly damages the club in a variety of ways, but ultimately the results show up on the bottom line for a host of reasons.



#59

Hiring Responsibility and Due Diligence

There is only one person responsible for hiring the right people and that is the manager or supervisor of the person being hired. The hiring manager or supervisor is the one who is accountable for his department or section's performance and, therefore, is the only person who should make the hiring decision. While every leader will occasionally mis-hire, those supervisors that consistently hire the wrong people should be held accountable.

Do not for one moment think that hiring is the responsibility of a human resource manager. He may assist in the process, but the assistance is no more than clerical or consultative. If any person hired turns out to be a bust, the only person responsible and accountable is the hiring manager, and she must bear the consequences of mis-hiring.

Given the responsibility managers must hire the right people and to avoid hiring the wrong people, they need to exercise 'due diligence' throughout the hiring process.

Due diligence is a financial/accounting term that means to investigate a potential investment and/or confirm all material facts regarding a sale. Generally, due diligence refers to the care a reasonable person should take before entering into an agreement or a transaction with another party and is essentially a way of preventing unnecessary harm to either party involved in a transaction.

While the term due diligence has come to take on the wider meaning of doing one's homework to prevent mistakes, clearly the original definition applies to hiring employees, that is making an offer of employment to another party.

The failure of hiring managers to use due diligence includes:

- Failing to analyze and identify the requirements of a vacant position.
- Failure to carefully screen applicants to ensure that their experience, skill set, and personality are appropriate for the vacant position.
- Failure to conduct adequate interviews, particularly face-to-face, with applicants.
- Failure to carefully check references.

Take Away: Hiring managers must take full responsibility for the outcome of each new hire and use the discipline of due diligence in screening applicants for hiring.



#60

Departmental Staffing Guides

Clubs will typically create well-defined employment categories for employees to make benefit determinations based on the number of hours worked. As an example, one club created the following definitions:

- *‘Full time – employees who work not less than 35 hours per week on a continuous basis and employment is anticipated to last 11 months or more.*
- *Part time – employees who work less than 35 hours per week on a continuous basis and employment is anticipated to last 11 months or more.*
- *Seasonal – employees whose employment is expected to last less than 11 months regardless of the number of hours worked per week.’*

In this instance, full time positions were eligible for full benefits, the part time staff received more limited benefits, and the seasonal positions received no benefits.

Given the seasonality of most club operations, clubs have a need to expand and shrink their labor force to meet the needs of each seasonal business levels. The ability to do this in a timely manner will save the club significant amounts of unnecessary cost. Further, most club managers recognize the benefits to member service and organizational continuity of having a stable work force. Lastly, clubs should avoid full time staff layoffs as much as possible for both the cost and morale impact they create. The challenge then is to balance the need for a stable staff with the cost-saving ability to shed excess positions when business levels warrant.

The solution to these competing needs is to establish staffing guides for each department made up ‘core’ and seasonal positions. The core positions represent those staffing needs for year-round minimum function and service needs and can be either full or part time depending upon the needs of both the club and employees. Seasonal positions are just that – those that are added and reduced as business demand warrants.

Each department head, by creating a staffing guide of core and seasonal positions, determines optimal year-round staffing. These core positions, then, are ‘protected’ from seasonal adjustments in all but extreme situations. Once the staffing guides are determined for each department, no new hires should be made for core positions without an existing vacancy or the express approval of the general manager.

Take Away: Staffing guides are a discipline to ensure that year-round staffing levels are established to protect core requirements while controlling seasonal pay costs.



#61

Exempt and Non-Exempt Positions

There are a lot of misconceptions regarding the paying of employees either as salaried (a fixed amount each pay period) or hourly (an amount based on the number of hours worked times an hourly rate of pay). Some managers seem to think that you can avoid overtime payments by paying the employee a salary. But nothing could be further from the truth and such a practice could put a club in violation of the federal Fair Labor Standards Act (FLSA) which specifies wage and hour requirements for employers.

The FLSA mandates that employees who work more than 40 hours in a workweek be paid overtime – that is time and one half for each hour worked over 40. Exemptions are made to this requirement for certain managerial, professional, and commission-compensated positions – thus the term ‘exempt’ employees.

But the requirements for these exemptions are few, defined, and have been narrowly construed in court cases. All other employees are considered ‘non-exempt’ and must be paid overtime as required by the FLSA.

It is dangerous, then, for any club not to assess and classify each position as either exempt or non-exempt depending on a careful evaluation of job functions to meet the exemption requirements. Even after positions are classified, the club must be vigilant that new positions are not designated as exempt without a formal review of duties and responsibilities and that job requirements of existing exempt positions do not materially change, thereby affecting their exempt status.

Failure to carefully adhere to exemption criteria can be costly for clubs in terms of fines, penalties, and orders for payment of back overtime work.

Clubs may pay a non-exempt position on a salaried basis but are still liable for overtime payments for hours worked over 40 in a week. Thus, paying non-exempt positions a salary requires ongoing vigilance to ensure overtime compensation is paid correctly.

Take Away: No position should be made salaried to avoid overtime payments without a careful review of job requirements and exemption criteria.



Employment Law and Rights

Employment at will. Many states are Right to Work states meaning that during the course of an individual's employment, he or she is free to leave the club at any time for any reason and the club reserves a similar right to terminate the employment relationship at will, at any time, with or without cause or advance notice.

Equal opportunity. Federal law requires equal opportunity employment and prohibits discrimination based on race, color, religion, age, gender, national origin, or veteran status. This requirement covers all aspects of the employment relationship, including hiring, training, promotion, job assignments, compensation, discipline, discharge, and application of all club policies, procedures, and benefits.

Legal status to work. The Immigration Reform and Control Act of 1986 makes it illegal to hire persons not authorized to work in the United States. This act also requires prospective employees to present documents proving their identity and authorization to work.

Youth employment. Federal and state work rules regarding youth employment restrict those individuals under age 18 from working in certain hazardous professions or with specific equipment and machinery, as well as the time of day and hours worked.

Employment classifications. The Fair Labor Standards Act (FLSA) classifies employees as either Exempt or Non-Exempt based upon their eligibility for overtime payment. In accordance with the FLSA, any non-exempt employee who works more than 40 hours in a workweek is entitled to be paid time and one half for each hour worked over 40.

Harassment. Employers must maintain a pleasant and productive work environment for all their employees. All forms of harassment, sexual or otherwise, are prohibited.

Family Medical Leave Act (FMLA). The club provides eligible employees with up to 12 workweeks of unpaid family and medical leave for certain family and medical reasons during a 12-month period. During this leave, an eligible employee is entitled to continued group health coverage on a self-funded basis. At the conclusion of the leave, subject to some exceptions, an employee generally has a right to return to the same or an equivalent position.

Americans with Disabilities Act. The Americans with Disabilities Act (ADA) provides individuals with disabilities civil rights protections similar to those provided to individuals of other protected groups. The Act guarantees equal opportunity for individuals with disabilities in public accommodations, employment, transportation, state and local government services, and telecommunications. Private clubs are exempt from the public accommodation requirements of the Act. A bona fide private membership club that is exempt from taxation under section 501(c) of title 26 is exempt from the employment requirements.

Military Leaves of Absence. The Uniformed Services Employment and Reemployment Rights Act (USERRA) requires that a leave of absence be granted to an employee in order to meet service requirements in the uniformed services of the United States. At the conclusion of the leave, subject to some exceptions, an employee generally has a right to return to the same or an equivalent position.

Workers' Compensation. All employees are protected by Workers' Compensation should any accident happen while they are performing their jobs. Clubs carry this insurance to protect employees and bear the full expense for this program less any deductibles that may apply.

Unemployment Insurance. Club pay the entire premium for unemployment insurance to protect employees who may be laid off from work through no fault of their own.

Take Away: Managers must be familiar with the requirements of these laws and rights.



Disciplined Hiring

Hiring well is an important discipline in any successful business. Jim Collins, in his groundbreaking book *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, said 'getting the right people on the bus' was an essential discipline of great companies. Dr. Bradford Smart, author of *Topgrading*, said that in his experience 50% of all hires are mis-hires. This miserable success rate is no better than gambling by flipping a coin – and gambling is exactly what a club does every time it hires without the basic requirements of Disciplined Hiring. These include:

- Interviewing Skills. Dr. Smart recommends a “structured, chronological” interview where the interviewer reviews the candidate’s entire education and work history chronologically and in detail to understand the candidate’s personal and professional growth in the context of expanding responsibilities, accomplishments, lessons learned, and work skills and habits. While such a thorough process is excessive for line employees, it is an excellent discipline for hiring managers whose efforts have much greater impact on the club’s success.
- Type of Interviews:
 - Telephone interviews are screening interviews and are designed to reduce the hiring focus to a smaller number of qualified applicants. These interviews can be delegated by the hiring manager to properly trained subordinates or the human resources office so long as the interviewer has a clear understanding of the experience and skill set the hiring manager requires.
 - Face-to-Face interviews are more in-depth and are reserved for final candidates. These interviews must be conducted by the hiring manager to ensure he takes full responsibility for the hiring decision. Face-to-face interviews require careful preparation including reviewing candidate’s resume or application, developing a series of questions that focus on the necessary experience and skills for the position, and the determination to pursue an understanding of the candidate, particularly when responses to questions are vague or evasive. Ultimately, the hiring manager needs to understand who the candidate is, what his values are, how he approaches his work, that his work experiences are valid and germane, and that his personality fits the culture of the club and the necessities of the position.

In both types of interviews, thorough notes should be taken of questions asked and responses given. These are useful when reviewing the candidates after the interviews and in making the final decision.

Take Away: Hiring well requires discipline and commitment to ensure the right person is hired for each club position.



#64

Prohibited Hiring Questions

When hiring, managers must know what questions can and cannot be asked during interviews. The questions that should not be asked are derived from federal anti-discrimination law which prohibits employment discrimination based on protected groups. Direct questions of a job applicant on the following topics are prohibited:

- Age – including questions that may reveal age, such as the year of high school graduation.
- Religion – you can and should state the working hours of the position, particularly if it includes weekend work and whether the applicant can work those hours with reasonable accommodation.
- Race
- Gender
- National Origin/Citizenship – you may ask if the applicant is eligible to work legally in the U.S.
- Disabilities/Health History – you can enquire about the applicant's ability to perform the essential functions of the job.
- Union Membership
- Languages Proficiency – unless a specific language skill is required for the job.
- Marital/Family Status – including questions about maiden name, pregnancy, children and childcare. You can ask job-related questions about hours/shifts applicants would and would not be available to work, as well as any other responsibilities that might interfere with specific job provisions, such as traveling.
- Workers' Compensation/History of Sick Days
- Prior Arrests – being arrested is not the same as being convicted.
- Current Military Service and Type of Discharge from any Previous Service – you can ask if an applicant was formerly in the military, but enquiries should be limited to length of service, final rank upon discharge, and the type of applicable work experience gained in the military.
- Sexual Orientation
- Past Bankruptcies or Garnishment of Wages – employers may still use credit reports in their hiring process, but they must ensure that they comply with the Fair Credit Reporting Act, as well as any applicable state privacy laws.
- Frequency of and/or Treatment for Illegal Drug/Alcohol Abuse – some very limited questions about illegal drug use are technically permitted. Specific questions such as, "Do you currently use illegal drugs," "Have you ever used illegal drugs?" and "What types of illegal drugs have you used in the last 6 months?" can be asked, but to be safe, these are better left to HR experts.
- Clubs/Organization Memberships – you can, however, ask "What professional or trade groups do you belong to that you consider relevant to performing this job?"
- Home/Car Ownership – you can ask if the applicant has a reliable method of getting to work.

Take Away: While prohibited questions can be quite specific, a good rule of thumb if ever in doubt about a potential question is "If it's not job-related, don't ask."



#65

Reference Checking

The responsibility to check references is an essential part of due diligence and may not be delegated or passed off to others. Without checking references, there is no way to check the veracity of the applicant's claims about education, experience, and accomplishments.

While many people claim to have almost psychic skills when it comes to sensing the integrity and character of applicants, it must be clearly understood that scam artists and others who lie professionally are often considered to be the most genuine and convincing of people. In other words, the person most adept at being sincere and in giving the answers you want to hear is quite possibly the applicant with the most to hide. The rule must be: Don't ever accept an applicant at face value. Do your homework and check references carefully!

Reference Check Requirements and Techniques:

- Reference checks must be conducted by the hiring manager.
- Conduct reference checks after you have completed the final interview.
- Contact the applicant's supervisors from at least the past five years.
- Get the applicant's written permission to check references during the interview. Verify the name, title, location, and contact information of each listed reference and any others you may wish to talk to.
- Ask the applicant to contact each desired reference, asking if it would be alright to accept a reference call from the hiring manager at a time of his or her convenience.
- Contact each reference. Promise absolute confidentiality and make sure you keep that promise.
- Create the tone of a trusted colleague, a fellow professional who knows the applicant well, who might hire the applicant, and who will be better able to manage the applicant if the reference will share certain insights.
- Contact the current supervisor (if applicable). Some applicants may not desire this until they have an offer that is formally accepted. If this is the case, ensure that the applicant understands that the offer is contingent upon receiving a clean bill of health with no surprises from the current supervisor.
- Depending upon the type of position being filled, the hiring manager may want to check references with peers, subordinates, or customers of the applicant. The same requirements mentioned above will apply.
- Take notes during all reference checks using the [Reference Check Form, PCPM Form 157-1 and 2](#). Keep notes for at least six months so you can refer back and see how your interview impressions and the references disclosures dovetail with your actual experience with any hired individual.

Take Away: Checking references is a critical part of hiring process and must be done with due diligence.



#66

Screen for Success

The Ritz-Carlton hotel company, renowned for its “legendary service,” has devised a new hire screening process that focuses on 11 basic talents and every position in the company is indexed on how much of each talent that position needs. For example, a housekeeper position needs high levels of “exactness” (attention to detail) because there are over 150 items or details that must be checked in every room every day; on the other hand, front desk and guest service employees need high levels of “relationship/engagement” skills to interact and engage guests in a multitude of ways.

The hiring process with Ritz-Carlton can take up to eight separate phone and face-to-face interviews to ensure they hire people with the right set of talents for the positions they seek. One impressive element of the interview process is that specially-trained line employees conduct the first telephone screening interview to ascertain the candidates ‘Talent Index.’ If the candidate does not meet certain minimum levels in this interview, they do not receive further consideration.

The success of their screening process can be seen by their employee turnover rate. When first started in 1983, the company experienced a 73% turnover rate. In 2005, it was 23% with 15 of that 23% being voluntary resignations for a variety of reasons.

The same screening discipline, though more limited due to budgetary constraints and lack of economies of scale, can be used by clubs to ensure the right persons are hired for the right job. There are many companies that offer personality assessments used in hiring and such a service may be cost-effective for a standalone operation. A quick search of the Internet will yield such companies.

By using the principles of Disciplined Hiring a club may significantly improve its hiring success rate while improving member service when employees have the right personality and interpersonal skill set necessary for each position.

Take Away: Jim Collins, in his *Good to Great* book, speaks of the importance of getting “the right people on the bus” and getting “the right people in the right seats on the bus” as an essential discipline for success.



#67

New Hire Onboarding

Teachable Moments

The purpose of an onboarding plan is to ensure that new employees are welcomed to the club, receive the appropriate orientation and introductions, and are indoctrinated into the club's culture, as well as receiving a basic introduction to club information, employee benefits, club policies, and work rules. When the onboarding process is formalized and consistent, all employees have an appreciation for the history and traditions of the club, an awareness of their job requirements, and a common understanding of expectations for their conduct and performance.

One club's onboarding process included:

- Completion of all new hire paperwork with the HR office. Order nametag.
- All required screenings and/or physical as required.
- Welcome from the general manager or other senior executive.
- Club orientation, tour, and introductions to key staff by the HR manager.
- Receipt of [Employee Handbook](#) with instructions to read within first week and sign, date, and return the acknowledgement form.
- Review of club dress code, grooming, and hygiene policy.
- Issue of timecard/badge and timekeeping/pay cycle orientation
- Initial club training to be completed within 30 days:
 - Club culture training and issue of pocket values card.
 - Service ethic training, introduction to the *Daily Huddle* discipline.
 - Club etiquette training.

The departmental onboarding process included:

- Department head welcome.
- Departmental orientation, tour, and introductions conducted by the department head.
- Review of department functions, responsibilities, plan, and goals by department head.
- Review of club culture in departmental context by department head.
- Review of job description, performance expectations, and performance review forms by department head.
- Issue of uniforms and nametags, review of dress code.
- Departmental safety briefing, to include any hazardous materials or machinery and equipment, Material Safety Data Sheets, personal protective equipment if required, and emergency and accident instructions.
- In the case of administrative workers, workspace set up, fully prepared, and waiting for the new hire.
- After several weeks, the department head sets up a one-on-one meeting with the new hire to see how he or she is settling in, to answer any questions, and to once again reinforce basic club values and departmental policies.

Take Away: There is much basic information that new employees must know. A formal onboarding process will ensure new hires consistently receive such information.



Manager Onboarding

A thorough onboarding process is even more critical for newly-hired managers and supervisors. Regardless of education, work history, and experience, these individuals act as agents of the club and set the standard for everything their employees do. With so much riding on their leadership and example, ensuring they convey consistent direction and standards to their employees cannot be left to chance. An optimum onboarding process for managers and supervisors includes the following:

- The same onboarding process as line employees receive so that they understand the process.
- A copy of the [Employee Handbook](#) provided for the same reason.
- Introduction to the club's values by the general manager for maximum impact and effect.
- Leadership training to ensure that all managers have a common understanding of service-based leadership and its critical role in motivating and empowering employees.
- A copy of a [Managers Handbook](#), written specifically to spell out expectations for those who direct the line employees with emphasis on employment law, legal and liability issues, work rules, fiscal responsibilities, safety and security, as well as an in-depth discussion of counseling, conduct, discipline, and performance requirements.
- A detailed review of job description and performance expectations by immediate supervisor
- A copy of the club's Strategic and Annual Plans to understand the club's direction and trajectory.
- In concert with immediate supervisor, the development of an individual work plan with first year reviews at 90 and 180-days. Early engagement, counseling, and intervention as necessary are critical to the long-term performance and success of any newly-hired manager.
- Introduction to and review of personnel and accounting standards, policies, and procedures by human resources manager and club controller, respectively.
- Introductions to key management staff, as well as board and key committee members.
- A reading list of management and leadership books to include *Leadership on the Line* and *The Workbook* to learn service-based leadership, Jim Collins' *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, John Maxwell's *Developing the Leader Within You*, and Stephen Covey's *The 7 Habits of Highly Effective People*. These books and other periodically assigned reading material should be discussed on an ongoing basis at weekly staff meetings.
- Office or workspace set up, fully prepared, and waiting for the new hire. Minimum support requirements include a personal computer or laptop, cell phone, a list of key phone numbers, a listing of club department heads and managers with land line and cell numbers, security codes for work areas, and a set of keys for all necessary spaces.
- After several weeks, the general manager sets up a one-on-one meeting with the new hire to see how he or she is settling in, to answer any questions, and to once again reinforce basic leadership concerns, organizational values, and club goals.

Take Away: The time and effort put into individually developing the club's management staff and forging them into a team with a common understanding of purpose and means is a critical driver of a club's success.



Employee Handbook

New hires must be indoctrinated into the club culture and be given all the basic information they need regarding employment at the club. While every club will want to cover its own topics and priorities, a representative example would include:

- Welcome Statement
- Club Mission, Vision, and Culture of Service
- Laws Governing the Workplace
- Club Employment Policies
- Work Policies
- Benefits and Eligibility
- Safety and Security
- Conduct, Discipline, and Discharges

Given the importance of these topics, it's also a good idea to have employees sign an acknowledgement statement indicating they've received and read the [*Employee Handbook*](#). The signed acknowledgement form should be included in each employee's personnel file.

Take Away: An Employee Handbook is a tool to ensure that all new hires receive the same, consistent information about employment at the club. As such, it's an essential part of every employee's onboarding process.



Private Club
Performance Management

Employee Handbook



Ed Rehkopf



Work Policies

The club should spell out its work policies, so all employees have a common and consistent understanding of various work requirements. Here are the work policies covered in one club's Employee Handbook:

- Role of Supervisors
- Importance of Attitude
- Bulletin Boards
- Posting Notices
- Departmental Meetings
- Punctuality
- Sickness
- Absences
- Notification
- Inclement Weather
- Meal Breaks
- Rest Breaks
- Safety
- Accidents
- Emergencies
- Productive Use of Work Time
- Time Clock & Timesheets
- Appearance & Attire
- Uniforms
- Nametags
- Grooming & Hygiene
- Trash/Litter
- Telephone and Cell Phone Use
- Loitering
- Driving Club Vehicles
- Employee Freelancing
- Visitors
- Employee Parking
- Employee Lockers
- Lost & Found
- Cashing Checks
- Advance Pay
- Loans to Employees
- Removing Items from The Premises
- Use of Tobacco Products
- Chewing Gum
- Personal Habits
- Confidentiality of Club Affairs
- Security
- Solicitation/Distribution
- Electronic Communication System
- Personal Electronic Equipment
- Fire Safety Systems
- Use of Facilities
- Protection of Property & Assets
- Employees Benefiting from Member Activities
- Problems & Grievances
- Open Door Policy
- Providing Notice
- Exit Interviews
- Suggestions

Take Away: Club management must spell out basic work policies consistently for all employees and the managers who must enforce these policies consistently.



#71

New Hire Orientations

Orientations are an important part of the onboarding process for new hires. There is much for the new employee to learn about the club and the way it does business, as well as an explanation of work rules and employee benefits. Given the amount of material the new employee needs to learn, two separate orientations are recommended – a Club Orientation presented by the HR manager covering broad topics of interest to all new hires and a Departmental Orientation given by individual department heads covering topics specific to the department, as well as to reinforce certain club-wide topics.

Here is a list of suggested topics to cover in the Club Orientation:

- Issue Employee Handbook
- Discuss club values and culture
- Discuss club mission and standards of service
- Explain employment status (full time, part time, seasonal)
- Explain employee personnel file
- Explain performance reviews and introductory period review
- Explain work week, pay cycle, paydays, and overtime pay
- Explain benefits and benefits eligibility
- Explain designated employee parking areas and locker availability
- Explain club alcohol, drug, and tobacco policies
- Discuss prohibition of removing items from club premises
- Discuss club training process and programs
- Discuss discrimination, harassment, and sexual harassment
- Explain who to see for departmental problems/complaints/requests
- Explain who to see for personnel and benefits issues
- Tour of property and introduction to key staff

Departmental orientations will reinforce some of the key issues above and discuss:

- Club and departmental work policies
- Employee development, counseling, and discipline
- Uniform, nametags, appearance, and grooming policies
- Breaks and meal policies
- Review of job descriptions, work expectations, and performance review forms
- Departmental training
- Accidents and emergencies
- Notification for absences and late arrivals to work
- Timekeeping and resolution of pay issues
- Need to bring issues, problems, complaints, and suggestions to supervisor.

Take Away: New hire orientations are an important part of the employee onboarding and training process. They also present an opportunity to formally welcome the new hire.



Job Descriptions

Job descriptions describe the principal duties of a position. It is a manager's responsibility to establish written job descriptions for each position in his department and to keep them current, as duties may change over time.

Job descriptions are also helpful in determining the necessary knowledge, skills, and capabilities a candidate must have to meet the requirements of a position. Such a position analysis is helpful in the hiring process and in preparing job vacancy notices.

All job descriptions should contain the following information:

- Job title
- Department
- Reports to, i.e., supervisor's title.
- Concise summary of the position's function or role.
- A listing of the principal duties and responsibilities of the position.
- A statement that employees must "perform other duties as assigned." This general catch-all phrase is designed to prevent the "it's not my job" syndrome, though if a specific duty becomes a routine part of the job, the description should be revised to indicate the new principal duty.
- Whether the position is supervisory, i.e., whether its function includes supervision of other employees.
- An employment classification indicating whether the position has been determined as exempt or non-exempt from the overtime provisions of the Fair Labor Standards Act.
- Any potentially exclusionary requirements of the position, such as physical lifting, need to speak English, or appropriate levels of vision and hearing that may or may not be met with reasonable accommodation.

Managers and supervisors must review a position's job description with candidates during the hiring process to ensure they understand the requirements of the position. Further, during the onboarding process of a new hire, the manager must again review the position requirements and performance review form (or performance criteria) for the position to ensure the employee understands how his or her work will be measured and reviewed.

Take Away: Well thought out, written job descriptions are important part in the overall training and development of a new employee



#73

Employee Development

As a group of people committed to common goals, you can only achieve your team's greatest potential by taking advantage of the talent, initiative, and ingenuity of each and every one of your employees. To the extent that any individual is not valued, trained, and motivated, your enterprise suffers.

It is the responsibility of leaders at all levels of the club to ensure that employees are developed to their fullest potential and that they are trained in all aspects of their jobs. Because most clubs are large and complex, involving hundreds upon hundreds of details, there is much for employees to learn and know.

From the club's perspective, the desired outcome of the hiring process is to hire, train, and retain quality people who will make a positive contribution to the success of the enterprise. As leaders, you have a vested interest in the success of your employees. You want them to succeed because they will help you succeed.

The surest way to guarantee their success is to create the environment and training programs that ensure the fullest development of their potential. This development of the abilities and skills of employees is an ongoing process requiring your continual interest and active participation.

Take Away: Managers and supervisors have a vested interest in the success of their employees and must create the environment and training programs to ensure their fullest development.



#74

Staff Notes

One of the most important things a supervisor can do to ensure meaningful employee development is to keep daily or weekly notes on the performance and conduct of all employees under his supervision.

Staff Notes serve as a detailed and factual basis for informal discussions of an employee's performance and progress, for detailing specifics during performance reviews, and as backup and support for counseling and/or disciplinary actions.

All supervisors are encouraged to keep a small notebook for this purpose. The few minutes a day that it takes to record events, errors of omission and commission, work problems, superlative performance of duties, and conversations with or instructions to individual employees, will pay immense dividends in employees' development.

Such records allow a supervisor to identify and recognize outstanding employees, to discharge the problem employee without difficulty, and to develop each employee to his fullest potential through meaningful feedback.

Caution: All entries in Staff Notes must indicate a high degree of professionalism and maturity of judgment. This is not the place to vent frustrations, call the employee names, disparage the individual, engage in unsubstantiated gossip or emotional outbursts, or write any comments that could be construed to demonstrate a bias or an "out to get the employee" attitude. While Staff Notes are an effective way to keep track of specific employee behaviors and performance, they could be subpoenaed in a court case and could prove embarrassing to the manager when inappropriate and unprofessional entries are brought to light.

Take Away: Staff Notes are an effective way to record individual employee behaviors and performance to provide specifics in counseling or disciplinary sessions and performance reviews.



Performance Reviews

Performance reviews are periodic, formal feedback sessions that help measure an employee's contribution to the overall effort. Reviews give important feedback to employees, reinforcing those things they do well while helping them improve in areas where their performance is weak. As such, they are part of the ongoing training and staff development efforts of the club.

Performance reviews must include an opportunity for the employee to give feedback as well. A performance review should be a dialogue with nothing finalized until the session is ended.

Prior to a performance review, a supervisor must explain to an employee the criteria by which his performance will be judged. This is only fair, as everyone deserves to know those things by which their work will be evaluated. The perfect time to share and explain the Performance Review form is upon hiring when the supervisor provides the employee a job description and explains the functions of the position.

The purpose of any performance review is to obtain the best possible performance from each employee by positively reinforcing desired skills and behaviors while developing his full potential by coaching and constructively correcting those behaviors that need improvement. The basic concepts behind achieving optimum performance from each employee are to:

- Set goals and expectations the first day of employment and adjust and reinforce them during the entire period of employment.
- Coach along the way, correcting when necessary and reinforcing positive performance.
- Ensure that any performance review is not a monologue by the supervisor; rather it should be a dialogue between the employee and supervisor to reach a mutual understanding of what optimum performance is and how to achieve it.
- Set goals for the next session and discuss how to accomplish them.

For more information see [Expectations, Work Planning and Performance Reviews](#).

Discussion Points: Discuss performance reviews and why it's important for every employee to know what's expected of them and how they will be evaluated for their performance. Relate and discuss stories of ineffective reviews individual managers have received in their work careers.

Take Away: Performance reviews are an important part of the employee development process.



#76

Performance Review Principles

Teachable Moments

- “Reviews must be based on specific facts, not generalities. Managers should keep Staff Notes throughout the review period on the strengths and deficiencies of an employee’s work. If this is done, a manager will be able to provide a meaningful review based on fact and will be able to give relevant examples to the employee to ensure he understands.
- For consistency and fairness’ sake every employee filling the same positions, regardless of race, gender, religion, age, etc., should be reviewed by the same criteria. Not to do so opens the club to discrimination complaints.
- Reviews should be honest, fair, and candid. No manager should attempt to avoid conflict with an employee by giving an overly positive evaluation. Such an evaluation could be used as evidence of satisfaction with his work in a wrongful termination case.
- Managers must make it clear to employees that it is their responsibility to influence management’s perceptions of their work. If they make no effort to influence these perceptions and their supervisor has negative perceptions, she should never feel hesitant or uncomfortable telling them so.
- If managers make on-the-spot corrections and hold counseling sessions when necessary to correct an employee’s work, a negative review should never come as a surprise to the individual.
- Performance reviews are only as meaningful and useful as the effort put into them by the supervisor. There are few things that can destroy an employee’s motivation and commitment faster or more completely than a hasty, ill-prepared, and perfunctory evaluation. Put the appropriate effort into the development of your employees to get their best efforts.
- While there may be areas of disagreement between you and the employee regarding his performance, it is ultimately your responsibility to rate him according to your standards and expectations, as well as your perceptions of how well he did. In other words, do not pull punches for the sake of agreement. If you do decide to give him the benefit of the doubt, make sure he understands that you are doing just that—but you still have reservations about his performance, and he will need to show improvement in the coming period.

Discussion Points: Discuss each of the above principles and why they contribute to a consistent, fair, and professional performance review program.

Take Away: Performance reviews must always be conducted professionally and be given the proper time and attention befitting the serious and important developmental process they are.



#77

Conducting Meaningful Reviews

The way the review is conducted will have a lot to do with its success. Here are the steps in a meaningful review process:

- Schedule a quiet place, make sure you have enough time, and don't allow interruptions.
- Prepare for the performance discussion. Gather your recollection of events, Staff Notes, Records of Employee Counseling, as well as comments from other leaders, organize your thoughts and make an outline of the topics you wish to discuss. Be thorough. Your preparation is key to a successful dialogue and outcome.
- Be informal, make the employee feel comfortable. Set the tone of the discussion during the meeting by restating the objectives and the role you and the employee will take in the discussion.
- People want to know what the score is. Start by telling him the overall rating. If he knows the rating up front, he is more likely to participate and listen to what you have to say. Explain that the rating may change as the review progresses.
- The rest of the review will focus on the elements that make up the rating. During the discussion, be candid, sincere, and be prepared to listen to the employee. The more the employee talks, the more he will remember and understand his part in the process.
- Be open to changing any of your criteria ratings if the employee provides convincing reasons why you should. Sometimes a supervisor's perceptions are based on faulty or partial information and a willingness to "be fair" may go a long way toward gaining the employee's trust, cooperation, and commitment.
- The performance review is a discussion about past performance. Its primary values are to recognize superior performance and review opportunities for improvement. While this review is important and is the basis for an employee's overall score, the most productive review discussion should be focused on future performance and expectations. Typically, a productive review discussion would focus more than half of the time on the future.
- Finalize the discussion by setting expectations and laying out specific goals to accomplish prior to the next review.
- After the meeting, fill out the performance review form thoroughly and accurately, reflecting the dialogue, your assessment of the employee's performance, and the agreed upon goals for improvement during the coming period.
- In a follow-up meeting, present him with the completed review, go over it with him, and ask him to sign the form. If he chooses not to (and it is his choice), simply note this on the form and move on.
- Give the employee a copy of the review and ensure the original goes in his personnel file.

Discussion Points: Discuss the above points and how they contribute to a successful and meaningful review. Ask managers to contrast the results of this process with other reviews they've received during their careers.



#78

Unemployment Compensation

Each state administers unemployment benefits and has regulations that affect how benefits are administered. The tax rate varies based on a specific employer's unemployment claims filed AND paid. The higher the number of unemployment claims paid, the higher the tax that will be levied against the employer's payroll. Therefore, a club's bottom line is affected by high levels of unemployment claims paid.

Employees have a right to file for unemployment benefits. Filing a claim for unemployment does not always mean benefits will be paid. If a former employee has lost his job through no fault of his own, he will be entitled to unemployment benefits. However, if the manager has documented progressive discipline, reasons for discharge, and responds in a timely manner to the state's notice of an unemployment claim, there is a good chance that a former employee would be disqualified from benefits.

Once an employee loses his job, an unemployment claim for benefits is filed with the state office that administers the program. The employer is then notified that the former employee has filed for unemployment benefits. When a claim notice arrives at the club, a response is important because when a claim is paid that claim could later affect the club's unemployment tax rate.

In all situations where unemployment claims notices are made, the HR manager should review the claim notice immediately to determine the validity of the claim. Notices of claims from former employees should be challenged when it can be shown that:

- There is documentation that supports a former employee had been discharged for willful misconduct or poor work performance.
- The former employee was discharged during the introductory period (usually 90 days).
- The former employee voluntarily left employment to take a job with another company.

Documents that will support a challenge include the [Employee Separation Document](#), [PCPM Form 117](#), [Records of Employee Counseling](#), [PCPM Form 103](#), and [Employee Performance Reviews](#). When a claim is disqualified, it will not count against the employer's claim experience. However, if an employer does not notify the state of the reasons for employment separation and unemployment benefits are paid, the claim experience will count against the future tax rate.

If an unemployment claim is granted or denied, the claim can be appealed by the losing party. A hearing usually follows where the employer can provide supporting information that would disqualify unemployment benefits.

Take Away: Managers must become familiar with their state's unemployment compensation program because it is often their actions or lack of documentation that negatively affect the outcome of an unemployment claim.



While many managers find it difficult to devote the time, resources, and effort to proper training, they miss the forest for the trees. When a club has a well-trained staff, more problems are avoided, the quality and quantity of work is better, problems are solved more easily at lower levels, member complaints are minimized, and time spent to correct errors decreases. Further, management has more time for organizational issues, planning, continual process improvement, problem solving, and taking advantage of opportunities.

A prevalent method of training in the hospitality industry is called “trailing.” This takes place when the new employee follows a long-term employee around. The idea is that the new employee will learn all the right things from the veteran employee. This, of course, assumes that the veteran was properly trained, knows what he is doing, is conscientious, and so forth. While there is nothing wrong with appointing individual employees as departmental trainers, they should be selected based on knowledge, teaching ability, patience, conscientiousness, and quality of work. Still, the trainer must have a well-organized, fully-prepared training program to ensure that the necessary information is passed on to each new hire thoroughly and consistently. Finally, the supervisor must monitor the process to ensure the new hire receives correct and consistent information and learns all the right skills.

Determining what skills and knowledge are necessary for each position is easy if the supervisor has created thorough job descriptions. For instance, if one of the principal duties of a cart attendant is to welcome golfers to the club and assist them with their cart, then the trainee needs to know how to greet a member or guest, how to help them with their bag, how to instruct them on the use of the cart, pertinent course information such as course distances measured to the center of the greens, how to show them the pin placement sheet, how to answer any questions about club events and services, etc.

Formal training should be conducted in frequent, small blocks of time and material. Do not expect a new hire to grasp the multitude of details and instructions received in the first few days of training. Plan for appropriate breaks and intersperse classroom instruction with tours and demonstrations. The best way to teach someone a new skill is to tell him how to do it, show him how to do it, allow him to do it, and constructively critique his effort. Not everyone has the same comprehension skill. It may require several sessions to teach a skill. Supervisors should also create a list of the competencies that must be learned for each position and check each off as the employee masters it.

Finally, department heads should never assume that others will do the necessary training of their department’s new hires. While the HR manager provides certain training, it is ultimately the department head’s responsibility to ensure that employees are properly trained.

Take Away: There are significant benefits to a well-trained club staff, but proper training requires well-organized and disciplined management to undertake the challenging effort.



Types of Training

All who work in the service business understand that operations are both people-intensive and detail-intensive. It takes a lot of employees to provide the requisite levels of service and every aspect of service involves many details. These two facts make detailed, ongoing training an absolute necessity for any successful operation.

There are a wide variety of topics that must be taught to both managers and employees to fully prepare them for their jobs.

1. **Leadership Development Training** for managers and supervisors – designed to foster consistent, club-wide leadership skills, which are the driving force behind the club's success.
2. **Club Culture Training** for all employees – designed to foster a thorough understanding of the club's values and service ethic.
3. **Organizational Systems Training** such as Human Resource and Accounting Standards, Policies, and Procedures (SPPs) for managers and supervisors, as well as departmental SPPs for employees – all designed to teach the underlying systems that permit the enterprise to operate efficiently.
4. **Legal Compliance Training** for managers, supervisors, and employees – designed to provide all required training in matters with legal implications for the club such as Equal Employment Opportunity, Fair Labor Standards Act, Sexual Harassment, and others.
5. **Liability Abatement Training** for managers, supervisors, and employees – designed to limit the club's liability exposure for occupational safety and health, food sanitation, public health, and responsible alcoholic beverage service.
6. **Departmental SPPs, Organizational Systems, Job Skills and Service Technique Training** for employees – designed to give each employee the knowledge and skill set necessary to perform his job and meet standards of service.

Items 1 through 5 above should be developed by the club and provided club-wide for consistency's sake; item 6 is specific to each department and should be developed and taught by individual department heads.

Take Away: Managers tend to think that training is only necessary for line employees, but as the list above suggests, much of the training is required for management staff.



#81

Etiquette Training

Thirty-five years in hospitality management have proven to me that etiquette is a basic training requirement for all club employees. To expect that a wide assortment of employees with diverse backgrounds and socio-economic life experiences will have an appropriate understanding of the expected behaviors and decorum for a private club is unrealistic.

So like any other management expectation of its employees, such as dress and grooming standards and the requirements and rules of conduct, club etiquette must be taught consistently to all employees. To ensure this consistency, several years ago I created a Power Point presentation that presented and discussed the concept of good manners under the following six topics:

- Respect for others, both members and fellow employees.
- Common courtesies such as attitude, mood, and smiles; using names and titles when addressing members; using please and thank you, yes ma'am and no sir; interrupting personal conversations; stepping aside and holding doors; offering assistance; inappropriate personal habits such as smoking, drinking, eating, and chewing gum in front of members; and the need to take breaks out of view.
- Appropriate and inappropriate words and phrases and the need to act naturally and sincerely in all dealings with members.
- Body language and how it can convey unintended messages.
- The importance and impact of tone of voice.
- Alertness and responsiveness to members at all times.
- Focus on the task at hand and satisfying members.

This presentation was designed as a basic introduction to appropriate behaviors and decorum in the club, but it was fully expected that managers and supervisors continue to reinforce and expand upon the concepts of club etiquette in all they said and did. Most importantly, club etiquette would be continually discussed in *Daily Huddle* meetings where actual service situations and issues are reviewed.

The result of basic club etiquette training and ongoing discussion of appropriate behaviors and decorum is a staff with a uniform understanding of the finer points of service in all their interactions with members and guests.

Take Away: To expect that a wide assortment of employees with diverse backgrounds and socio-economic life experiences will have an appropriate understanding of the expected behaviors and decorum for a private club is unrealistic. They must be trained.



Training Requirements and Principles

Before establishing training requirements, the club must determine in great depth its operating standards, policies, and procedures. They are, after all, the backbone of any organized system of training. But there are certain things necessary for a training program to be successful:

- Leadership – the will to make it happen.
- The necessary focus and attention.
- Designated responsibilities and accountabilities.
- Established training objectives, standards, guidance, and budget.
- Curriculum development for each position.
- Administrative system or software to monitor and track training compliance.
- Training benchmarks and reports to track time and costs of training effort.
- Standardized list of teaching aids and equipment to facilitate training.

There are multiple principles which affect the development and implementation of a club's training effort:

- Not all employees learn equally well or fast; and not all employees find the same teaching methods conducive to learning. Therefore, there is a need to develop training formats that meet the needs of all learners. Such formats will include self-study manuals, checklists, handouts, quizzes, YouTube videos, Power Point presentations, On the Go Training material, scripting of key member interfaces, and ongoing discussions at staff meetings.
- Training employees is not a one-time task. New employees must receive initial training, but the amount of material that must be mastered requires that initial and refresher training be given in most topics and job skills.
- Some sort of *Daily Huddle* should be used by every department every shift to inspect staff, remind them of important service details, provide On the Go Training, and ensure every employee has the proper mind-set and enthusiasm to deliver high levels of service.
- Some training, such as the topics of sexual harassment and safety, is required by law. Because of legal and liability issues, such training must be consistently taught throughout the club and thoroughly documented.
- All individuals tasked with training responsibilities must be trained. Completing a Train the Trainer class is a prerequisite to training other employees.

Take Away: In establishing a formal discipline of training the club is undertaking an extremely challenging endeavor. While it adds a number of time-consuming tasks to already busy schedules, it ultimately will make everyone's job easier.



#83

Initial and Ongoing Training

As we have said before there is much that new hires must learn in the detail-intensive club business. We have also said that the sheer amount of material that must be learned by new employees is difficult to absorb all at once. Finally, we have pointed out that different people learn in different ways and that training material must be provided in various formats that meet the needs of all learners.

What all this means is that the training needs of the club and for each position in the club must be carefully identified, designed, and deployed. In the broadest sense, the club must decide what training topics and skills are considered critically important, what skills new hires must learn immediately, and what topics must be taught in the initial period of employment. Beyond this, there are important topics that require ongoing review, as well as required training that must be given and documented on a regular basis (usually annually) such as sexual harassment and safety topics.

Given these needs, the club and department heads must design new hire orientations, both club and departmental, to cover and reinforce critical information and skills that employees need to know. Then each department head should design his or her department's initial training requirements based on the necessary curriculum for each position. These topics should be documented for each new hire as they are completed.

Finally, recognizing the need to continually reinforce key standards, policies, and procedures, as well as to meet legal requirements and avoid liability issues, refresher topics must be scheduled, taught, and documented on an ongoing basis.

As an aside – the Ritz-Carlton hotel company believes initial training to be so important that new hires are not allowed to interact with hotel guests until they've completed their basic training. As they say, they don't allow their employees to "practice" on their guests.

Take Away: A formal program of training should be designed to cover training topics on an immediate, initial, and ongoing basis.



#84

Training Curriculum by Position

The first step in preparing a curriculum is to analyze any position in detail and develop an outline of the knowledge, information, and skills that the employees in that position must master. Most of the knowledge and information can be read, studied, and reviewed by the new hire, but many of the service techniques and skills will need to be demonstrated by the supervisor and then practiced by the employee to ensure proficiency.

Below is a sample listing of topics for a dining room server. This list is necessarily abridged for space considerations but gives some idea of the level of detail that must be mastered.

General Knowledge	Meeting/Greeting/Seating
Food	Table/Section #s
Alcoholic beverages	Reservations
Tableware familiarization	Table selection
Food service policies	Seating and assistance
Service protocols/sequence	High chair/booster seats
Service etiquette	Menu presentation
Uniform/dress code	Wine list presentation
Personal hygiene	Daily specials
Dining room familiarization	Table Service
Kitchen familiarization	Beverage order
Location of supplies and stocks	Food order
Point of Sale Training	Food service techniques
Opening ticket	Wine service
Ordering/changes to order	Beverage service
Closing ticket/member charge	Clearing courses
Adjustments/voids	Dessert service
Club Fare Familiarization	Coffee service
Lunch/Dinner menus	Presenting charge ticket
Menu selling sheets	Table resets
Dessert menu	Special Service Issues
Beverage selection	Differently-abled patron
Beer selection	Children
Wine selection	Elderly
Spirits/Cordial selection	Responsible Beverage Service
Specialty drinks	Resolving complaints
Daily specials	Difficult member/guest
Condiments	Slow service
Pre-Shift Setup	Adjustments
Table settings	Member Service
Section prep	Greeting
Dining room sidework	Engagement
Kitchen prep	Inappropriate words/phrases
Reservations	Body language
Pre-shift meeting	Tone of voice

Take Away: In order to train new hires consistently and completely, managers must develop a curriculum for each position and then ensure all training topics are completed.



#85

Training on the Go

Teachable Moments

Clubs face a challenging training burden if they are to deliver the high levels of service expected by their members. Yet with tight budgets how can managers meet their training obligations while controlling costs since every hour of training is a payroll hour for each employee being trained? Add to this the difficulty of getting all departmental or section employees together at one time for a formal training session.

The answer to these challenges is to build training programs around the 'on the go' concept where ongoing training material is formatted in brief – no more than five to ten minute – sessions. In every shift, in every club department, there are spare moments, time when employees have finished their shift preparations, time when employees are socializing among themselves or awaiting instructions from supervisors. Since the club is already paying for this time, put it to good use.

In every department there are hundreds of operational details that employees must learn and be reminded of with some frequency. This is just as true in golf operations, golf course maintenance, aquatics and activities, as it is in food and beverage. All that is necessary is for the department head to outline training requirements in brief doses and format them so they can be pulled out at a moment's notice for either group-led or individual instruction. One manager who used Food and Beverage Training on the Go found that the most effective way to use this material was to assign employees the task of teaching each other specific on-the-go topics.

With today's ability to find anything on the Internet with just a few keywords and keystrokes, all the information needed to teach employees values, etiquette, product knowledge, safety, security, sanitation, HR requirements, responsible beverage service, or how to operate or maintain any piece of equipment is readily available. It just has to be formatted for easy use.

Private Club Performance Management has developed a number of [On the Go Training Programs](#) for food and beverage, human resources, values, safety, leadership, and management disciplines. These offer a proven model of how easy it is to format material and train employees to increase their knowledge, skills, abilities, and service techniques.

Take Away: Given the amount of training that must be done in the detail-intensive club environment and the high cost of training, managers should use the On the Go Training concept to create and use short lessons that can be used in the spare moments of every shift.



Terminations

“Other than for retirement an employee terminates employment with the club under one of four conditions:

Voluntary Quit:

- This occurs when an employee decides to leave the club’s employ of his own volition.
- An employee may notify the club of his decision to leave the club orally or in writing.
- If notification is oral, the department head should have the employee sign the [Personnel Data Sheet \(PDS\), CRI Form 104](#), giving the effective date of the termination.

Abandonment of Position:

- This occurs when an employee fails to show for work for three consecutive scheduled shifts and does not notify his supervisor of his intention to quit.
- In this instance, the department head should fill out a Personnel Data Sheet (PDS), CRI Form 104, indicating that the employee abandoned his position with the effective date listed as the last date worked.

Layoff. Layoffs occur when the club involuntarily terminates an employee due to a lack of work. This only affects full time and part time employees since seasonal staff know when they are hired that their employment is of limited duration.

Discharge. Discharges occur when an employee is terminated for ‘cause,’ either misconduct, unsatisfactory performance, or under at-will provisions. All discharges must be reviewed and approved in advance by the general manager to ensure the reasons are appropriate based on the written record.”

- Personnel Policy, P-200.18

Documentation of Separation. *It’s always a good idea to complete an [Employee Separation Document, PCPM Form 117](#), for all terminations, regardless of reason. Such documentation provides a clear record of the reasons for each departing employee. This may be important in case of unemployment compensation disputes, lawsuits, or a former employee reapplying for employment.*

Take Away: Managers and supervisor must understand the differences in the types of terminations and follow all required policies and procedures for each.



#87

Principles of Disciplinary System – 1

Discipline is necessary to maintain the performance of the club and to establish and maintain standards of quality and service. The desire is to achieve excellence and success and supervisors must understand that these goals are dependent upon the quality and commitment of the staff.

Unfortunately, in every group of employees, there are some who have attitude problems, lack commitment, or are not capable of meeting standards. When confronted with such a problem employee, it is the responsibility of supervisors to deal quickly and effectively with the situation before it degrades the efforts of the rest of the staff.

- **Supervisors' Responsibility.** It does no good to have rules, regulations, and policies spelled out, if they are not going to be enforced by all supervisors. Whenever a supervisor overlooks an infraction, he encourages others to similar violations; such a supervisor can be more damaging than no supervisor at all. So, supervisors are expected to actively confront any problem employee in their departments with the aim of correcting the problem. If it cannot be corrected in a reasonable period, supervisors are expected to discharge the individual while following established policies.
- **Good Communication.** Good communication is important when working with a problem employee. Some supervisors do not like to confront staff on seemingly small issues. As a result, many small problems build up until the supervisor finally blows his top and is ready to fire the employee. However, discharge is inappropriate because the supervisor has not previously discussed the problems with the employee, warned him of the consequences, or offered any help to correct the problem. Good communication would prevent this situation. If the supervisor talks frequently with employees, points out minor problems as they occur, addresses continuing problems in a proactive and formal way, an employee will never be surprised should he be discharged.
- **Disciplinary Philosophy.** The club subscribes to the "Hot Stove" approach to discipline. Employees are told what is expected of them and what the consequences are of ignoring rules, requirements, policy, and procedure. If they then touch the hot stove, they get burned. The rationale behind this philosophy is that supervisors want to deal with staff as adults who are responsible for their own actions, and they want to avoid inconsistency in applying rules, regulations, and policies.
- **Rules, Requirements, Policies, and Procedures.** This philosophy requires that supervisors tell staff what is expected of them. First, do this by spelling out in detail the club's rules, requirements, policies, and procedures. The Employee Handbook contains many club-wide rules for employees. Second, expend some effort through orientations and formal training to make staff fully aware of their responsibilities and the club's expectations.

Discussion Points: Discuss each of the above disciplinary principles and why they are important to a sound and progressive disciplinary system. Specifically discuss the pitfalls of not following these principles.

Take Away: Managers and supervisors must understand the principles that underlie the club's disciplinary system.



#88

Principles of Disciplinary System – 2

Discipline is necessary to maintain the performance of the club.

- **Fairness and Consistency.** The club's disciplinary process must be fair and consistent. This will follow naturally from rules, requirements, and policies being applied fairly and consistently to all employees. Supervisors who are not fair and consistent will create major problems within their departments. There is no quicker way to destroy departmental morale and trust than to play favorites. Often the perception of fairness is as important as the reality. Supervisors should not only be fair, but also give all appearances of being fair.
- **Constructive and Progressive.** The club's disciplinary process is designed to be both constructive and progressive. By this it is meant that all disciplinary actions are aimed at correcting erroneous or inappropriate behavior and successive disciplinary actions will be progressively more severe. These two aspects are part of the same philosophy. While the club wants to help employees overcome their problems, when the problems continue, it wants to get the employee's attention with progressively more severe consequences.
- **Higher Standard for Supervisors.** Because of supervisors' positions, experience, training, education, and other factors that led to hiring, they are held to a higher standard of conduct and performance than line staff. In disputes between staff and supervisors, it is expected that supervisors will have solidly documented cases showing thorough investigation of any incident. While supervisors will always be supported when in the right, line employees will be given the benefit of the doubt when there is insufficient evidence or the absence of a thorough investigation. The best way for a supervisor to ensure that he is supported in his decisions is to have all his facts together before taking disciplinary action.
- **Depends on Circumstances.** Most staff disciplinary actions are dependent upon circumstances. There is no cut and dried formula for handling any disciplinary action. Supervisors must rely on judgment to evaluate the circumstances. Having said this, it is still important for supervisors to be as fair and consistent as possible. A supervisor may be able to justify why he will give a "good" employee more leeway than a chronically 'bad' employee, but there is still the danger of the perception of favoritism. If a supervisor discharges one employee for being late three times, but allows another to get away with repeated tardiness, he is opening the club up to a wrongful termination or discrimination suit.

Discussion Points: Discuss each of the above disciplinary principles and why they are important to a sound and progressive disciplinary system. Specifically discuss the pitfalls of not following these principles.

Take Away: Managers and supervisors must understand the principles that underlie the club's disciplinary system.



#89

Teachable Moments

Common Disciplinary Problems – Tardiness, Absenteeism, Notification

Coming to work when scheduled and on time is an important requirement for each employee. When an employee can't make it to work because of illness, unexpected situation such as a dead car battery, or family emergency, it is his responsibility to notify his supervisor of the expected arrival or absence as soon as possible.

Supervisors should note employee tardiness or absenteeism in departmental Staff Notes and speak with any employee who is late or absent without good reason. On the first offense, this may be a short discussion questioning the incident and telling him not to do it again. When a second or similar offense occurs without adequate excuse, the supervisor may decide to prepare a [Record of Employee Counseling, PCPM Form 103](#). This report should be presented to the employee in a private meeting. A copy is given to him for his records, one is saved for the supervisor's file, and one is sent to the HR manager for the employee's Personnel File. If the same or similar problems continue, the supervisor may want to give the employee a final written warning, or he may decide, in light of other concerns, to discharge him.

Absenteeism is a more serious matter because it involves covering work shifts with other staff and may entail overtime. Certainly, it hurts departmental morale as others are expected to cover the work on short notice. While always open to reasonable excuses, supervisors should make it clear to offending staff that this is a serious matter and cannot be tolerated. Depending upon circumstances, the supervisor may want to discharge an individual on the second offense.

Whenever a full or part time employee is absent on a scheduled workday, the supervisor must complete an [Absentee Record, PCPM Form 121](#), and send it to the HR manager. The completed form must include the reason he is absent and an expected date of return to work. This form is important in that it allows the club to properly pay the individual, as well as document any sick time.

Take Away: Tardiness, absenteeism, and notification issues are problems that must be addressed quickly and forcefully with the offending employee.



#90

Common Disciplinary Problems – Misconduct

Misconduct covers a lot of ground and is generally defined as failing to follow the rules, regulations, policies, and procedures of the club. Some misconduct is more serious. Fighting with another employee on the premises is probably grounds for immediate discharge for both employees. Though if it's clear that one was the aggressor and the other the victim, the supervisor may decide to discharge one and suspend the other for several days. It depends upon circumstances.

Most often, misconduct is less severe in nature. However, continual conduct problems, even of a minor nature, are aggravating and are usually indicative of an employee who has an attitude problem or is not mature enough to work for the club.

The key to successfully dealing with the problem employee is good documentation and communication. If a supervisor keeps good Staff Notes, meets with the employee to make him aware of the offending conduct, and documents any meetings, he should have no trouble in either rehabilitating or discharging him.

In any case of misconduct, the punishment should fit the severity of the offense. Disciplinary procedures are meant to be progressive, that is counseling or write ups for initial offenses, suspensions for repeated problems or more serious misconduct, and terminations after the supervisor has worked with the employee and given a final warning or when the offense is of a serious nature. It is also important that punishments be relatively uniform when different employees have similar disciplinary situations.

Supervisors who are unsure how to handle a case should consult with the HR manager or general manager.

Take Away: Conduct issues are problems that must be addressed quickly and forcefully with the offending employee.



#91

Common Disciplinary Problems – Unsatisfactory Performance

Unsatisfactory performance results when an employee is not capable of doing his work to club standards. Frequently, this employee is not suited for his particular position or is incapable of working fast enough and/or with sufficient quality to meet the requirements of the position.

Supervisors are responsible for doing four things when dealing with an employee whose performance is unsatisfactory:

- Meet with the employee to discuss the unsatisfactory performance and give specific examples of unsatisfactory work. Staff Notes will be invaluable in providing this detail.
- In conjunction with the employee, prepare an Employee Development Plan, CRI Form 116, for improving his performance. This plan should be specific and include a timetable of expected improvement.
- Meet with the employee regularly during the plan period to review work, offer support and praise where warranted, and make corrections or suggestions. The desired outcome from this process is improved performance that will meet performance expectations.
- Document all discussions, meetings, the development plan, and keep thorough Staff Notes during the plan period.

If the employee rises to the occasion and improves his performance, he should be so informed. The supervisor may wish to maintain some sort of modified development plan and continue to monitor the situation for some period. All documentation from the incident should stay in his file in case there are future problems.

If he is unable to meet performance expectations, the supervisor may seek a discharge decision. To support that decision, he will need:

- One written warning of unsatisfactory performance in addition to any unsatisfactory performance reviews. There should be consistency in the record, i.e., there should not be 'glowing' reviews in his file from the same time period that he was being counseled and worked with about his unsatisfactory performance.
- Documentation of meetings and an [Employee Development Plan, PCPM Form 116](#), for improvement.
- A solid documentary case to show that he could not or did not improve his performance.

As with all discharges, the supervisor will need the approval of the general manager.

Take Away: Performance issues are problems that must be addressed, and efforts must be made to rehabilitate the employee before a discharge action is considered.



#92

Common Disciplinary Problems – Bad Attitude

Because of the importance of attitude to the success of the club and of the direct impact of attitude on service, a supervisor can and must discharge an employee who exhibits a chronically bad attitude as evidenced by a pattern of inappropriate behavior.

Disciplinary actions will not be based on the term “attitude,” but rather on the evidence of bad attitude as seen in facial expression, tone of voice, persistent grumbling, lack of cooperation, surliness, unfriendliness, lack of courtesy, uncontrolled temper, and constant complaining.

As with any other offending behavior, supervisors must document the problem and efforts made to correct it. If you doubt your judgment, get other opinions. Employees with bad attitudes are readily noticed by all with whom they have contact.

As with any other disciplinary action, when counseling efforts have been made and the behavior does not improve in a reasonable period, supervisors may choose to discharge the employee.

Take Away: Attitude problems must be addressed quickly and forcefully by managers and supervisors as this behavior strikes directly at the very heart of what hospitality enterprises provide.



#93

Conducting Counseling and Disciplinary Session – 1

How supervisors conduct counseling and disciplinary sessions has a lot to do with their success.

First, the meeting must be held in private, in a quiet, uninterrupted setting. The supervisor may wish to include a witness, such as a trusted associate or the HR manager. Do not use a departmental peer of the employee being counseled.

Second, the tone of the session should match the purpose.

- If the session is for counseling, the meeting should be less formal, more comfortable, and supportive. The conversation should focus on constructive criticism, problem discovery, and proposed solutions. While this should be done in a supportive way, it is also necessary to communicate to the employee the negative consequences of continued problems.
- When the purpose of the meeting is disciplinary, the session should be formal and the tone serious. The idea is to impress upon the employee the serious nature his actions, the impending consequences if he does not improve his behavior or performance, and the issuance of the disciplinary report, suspension, or discharge, as the case may warrant.

Third, the investigation of any incident or documentation of a series of problems must be thorough and detailed. Supervisors must not go off half-cocked to write somebody up before investigating. Supervisors may have an incomplete picture of what happened and be embarrassed when the full story comes out.

Fourth, after telling the employee the reason for the meeting and relating the incident or allegations, the supervisor should give him a chance to tell his side of the story. He may have mitigating circumstances or a very different version of what happened. His story may require further investigation or corroboration. The supervisor may need to call other people in as witnesses or to contradict his version.

Fifth, after hearing his side of the story, the supervisor will decide what action to take and prepare the [Record of Employee Counseling, PCPM Form 103](#), describing the incident or problem, allowing the employee to offer any response, and providing a summary of the counseling or disciplinary action.

Last, the supervisor will present the employee with the Report and ask for his signature. If he chooses not to sign, so note it. Make sure the Report is complete. Provide the employee with a copy; send one to the HR manager for inclusion in his Personnel File and save one for the departmental files.

Take Away: How a manager conducts a counseling or disciplinary session has a great impact on the outcome.



#94

Conducting Counseling and Disciplinary Session – 2

The key to successful disciplinary actions is good documentation. Supervisors have two documentary tools at their disposal – Staff Notes and the Record of Employee Counseling.

- **Staff Notes.** As previously mentioned, Staff Notes are daily or weekly notes made about staff performance. They should contain instances of tardiness, absences, failure to follow instructions and procedures, complaints, arguments or disputes with other staff, instances of outstanding performance, etc. These brief notes are invaluable in helping a supervisor reconstruct circumstances, give details in review sessions, or document continuing disciplinary problems of a minor nature.
- **Records of Employee Counseling, PCPM Form 103.** These reports are used for formal documentation of problems when the supervisor wishes to give the employee a copy. These reports must be filled out completely and accurately. If the supervisor fails to enter a date, fails to sign it, fails to present it to the employee, or fails to get his signature or note 'chose not to sign,' the record may be useless as documentary evidence.

Right to Respond. Each employee subject to a disciplinary action or unsatisfactory performance review has a right to respond. Such response should come within 7 days of the report or review. Supervisors should consider the response, amend the report or review if warranted, and attach the response without alteration to all copies of the disciplinary report or review (Personnel File copy and departmental copy).

Choosing Not to Sign. Employees are requested to sign all disciplinary reports and performance reviews but have an absolute right not to sign. The absence of the employee's signature will not affect the validity of the document, so long as the supervisor notes that it was presented to him. If an employee chooses not to sign, the supervisor does this by writing 'chose not to sign' and the date on the signature line. The words 'refused to sign' should not be used as this connotes coercion or lack of choice.

Take Away: Counseling or disciplinary sessions must be documented in case the employee's issues continue and/or a manager wants to take the disciplinary procedure to the next level.



#95

Types of Misconduct

While it is impossible to list of all the possible reasons for which an employee may be disciplined or discharged, the following is a representative list:

- Possession of a weapon at work or while on the premises.
- Misappropriation or destruction of property. Abuse or misuse of property.
- Falsification of application or other records or lying to a supervisor about a work-related matter.
- Removal of items belonging to the club, members, and other employees from club premises.
- Conviction of a felony.
- Fighting with or striking another employee or person on club premises.
- Immoral, indecent, or patently offensive conduct.
- Acceptance for personal use of any commission, discounts, rebates, or other special considerations from purveyors providing goods or rendering services.
- Unauthorized possession of or drinking of any alcoholic beverage or use of drugs (other than those as prescribed by a physician) at work or reporting for work under the influence of alcohol or drugs.
- Refusal to allow packages to be inspected.
- Sleeping on the job.
- Punching a timecard other than an employee's own and an ongoing pattern of punching in more than 5 minutes before a scheduled shift without authorization and after being warned by a supervisor.
- Sexual or other forms of harassment.
- Refusal or failure to perform reasonable assignments or direction from a manager or supervisor.
- Use of abusive, profane, or obscene language.
- Conduct and/or appearance unbecoming to an employee that brings discredit to the club.
- Complaining about club operations or policies to members or guests.
- Discourteous treatment of fellow employees, members, or guests.
- Tardiness or absenteeism.
- Abuse of sick/emergency leave.
- Chronic bad attitude as evidenced by the employee's behavior.
- Failing to meet job performance standards.
- Negligent use, resulting in loss, of club property, particularly master keys and keys to storerooms.
- Disrespectful attitude or actions toward members, guests, or supervisors.
- Failure to follow the policies and procedures of the club and/or instructions from supervisors.

There may be other reasons for disciplining or discharging an employee, but it is preferable to see an employee improve rather than to discharge him. Corrective action is one of the principles of the club's disciplinary procedures.

Take Away: Managers and supervisor must understand the reasons for which an employee may be disciplined or discharged.



#96

Discharges

There are only two reasons to discharge an employee – misconduct or unsatisfactory work performance.

Misconduct is the most prevalent reason for discharge and is defined as failing to conduct oneself according to the rules, regulations, policies, procedures, and standards of the club. In most cases of misconduct, the employee will be counseled regarding his offending behavior and a written record will be made of the incident. Should he repeat the offending behavior or have other similar conduct problems, he will be written up again. If the problem continues, the supervisor should consider discharging the employee. In all cases, the general manager must approve the discharge and the supervisor must have evidence of corrective counseling and disciplinary reports to support a decision to discharge.

In the case of serious misconduct such as theft or fighting on the property, an employee may be discharged without the progressive steps of counseling and written disciplinary reports, though the supervisor should always give the employee an opportunity to present his version of what happened. Supervisors should consider any mitigating circumstances in the employee's version before deciding to seek a discharge.

Discharging an employee for unsatisfactory performance occurs less frequently and is a more involved process. The crux of the matter is that the club should show a good faith effort to work with an employee who is having trouble meeting his work requirements.

Evidence of this good faith effort is proper training, retraining as needed, and solid documentation that the supervisor has worked with the employee to try to help him improve his performance. Such documentation would include Staff Notes, Records of Employee Counseling, Performance Reviews, records of meetings, an Employee Development Plan with a timetable for the employee to improve his performance, and written warnings to the employee that he is not meeting performance expectations.

No employee will be discharged for unsatisfactory performance without at least one written warning which specifically describe the items of unsatisfactory performance and include an action plan for improvement. Again, no discharge will take place without the express approval of the general manager.

Take Away: Managers and supervisor must understand the reasons for which an employee may be discharged.



#97

How to Discharge

“Immediate Discharge. If a supervisor seeks a discharge for serious misconduct, the employee should be sent home immediately and informed that he will be contacted for a meeting regarding the issue. The supervisor will then present the matter to the general manager at the earliest opportunity. When sent home in this manner, the employee is in a temporary suspension with pay category.

Once the decision has been made to discharge, the supervisor will contact the employee and tell him to come in for a meeting. It is against the law in some states to call an employee in on his regularly scheduled day off to terminate him. Therefore, to be safe, the supervisor should set up the meeting on one of his scheduled workdays.

The employee’s final time sheet should be submitted to the accounting office and include a minimum of four hours pay for the day of the meeting (the four hours pay is not required but is included to avoid any last-minute disputes over the time to come in just to be discharged). The time sheet must be approved by the supervisor and sent to the controller with a request to prepare the employee’s final paycheck. At the scheduled discharge meeting, the employee is informed of the decision to discharge, any uniforms and keys he may have in his possession are collected, and he is presented with his final paycheck.

Other Discharges. In all discharges where there has been a series of misconduct or unresolved unsatisfactory performance, the supervisor should present to the general manager the documentary evidence that the employee has been counseled, been given adequate warning, and been given reasonable time to improve.

Once the approval to discharge has been received, the supervisor will set up a meeting with the employee on his next scheduled workday and turn the employee’s time sheet into the controller with a request for a final paycheck. At the discharge meeting the employee will be informed of the discharge decision, any uniforms and keys will be collected, and he will be presented with his final paycheck.

Note: in both the above cases, the final paycheck has been prepared and presented at the discharge meeting for the sole purpose of precluding a disgruntled employee from returning to club premises to collect a final paycheck. Another approach would be to mail the check to the employee’s address of record.

For more information on employee discipline, see [Employee Development and Disciplinary on the Go](#), available for purchase on the PCPM Marketplace store.

Take Away: Managers and supervisor must understand the procedures for discharging an employee.



Member Relationship Management

I recently read a book called *Romancing the Customer, Maximizing Brand Value through Powerful Relationship Management* written by two British authors* and exploring the concept of Customer Relationship Management (CRM). While its message was targeted to large businesses in the retail and service sectors, it contained the seeds of important ideas for private club managers.

So, what is Customer Relationship Management? It's about collaborating with each customer and adding value to each customer's life. In return, you get their loyalty. Further, it's about dealing with each customer individually, because all customers are not the same and should not be treated the same. A small percentage of customers contribute far more to your revenues and to your profit. But as compelling as the economics of focusing on your best customers, a good CRM program should not ignore the others. In fact, good programs encourage less profitable customers to become better customers. There is no doubt that by turning your organization into one that is centered around the customer, everyone will ultimately benefit. But, the authors say, "the focus must be on capturing share of heart, not share of wallet. While money-grubbing will certainly build short-term sales, it will not ensure that you build an enduring relationship."

Traditional marketing theory says that it's all a numbers game. The more you market, the more people you contact, the greater your sales. The authors point out that what makes marketing a numbers game "is the lack of specific information about individual customers." Today, though, with the rapid growth in computing power and data capture, it is possible to know each of your customers far better. And that information provides the power to romance your customers. "Instead of focusing your efforts on your product, focus on your customers. By building up that body of information on each customer over time, you can increase the degree of tailoring of your product or service and, in the process, strengthen the emotional bond between the customer, your brand, and your company."

Ultimately, "Customer Relationship Management builds strong brand by creating the right blend of organization, systems, and processes that allow your people to understand your customers as individuals, and potentially tailor every interaction with a customer to their specific needs."

What does this mean for private club managers? Simply put, the more they know the members and their needs, the better able they will be to provide the individualized service that members join clubs to receive. The purpose then of Member Relationship Management is to build and institutionalize a system that will replicate the personalized service that was the hallmark of the best "Mom and Pop" operations of old. Such service was based upon the trust and accumulated knowledge of years of day-to-day contact and personalized service.

* Dr. Paul Temporal and Martin Trott

Take Away: Given that all club revenues come from members, shouldn't as much effort be placed on encouraging their use of the club as any other discipline of management.



#99

Give 'Em What They Want

Management can establish the facilities, products, and services that a private club provides, but if they are not the ones that members want, the club will not be successful. It is incumbent upon management, therefore, to fully understand the expectations of the membership. This is complicated by the fact that different members may want different things and the desires of individual members may change over time, often influenced by popular culture, ever-changing technology, and societal trends.

A typical club mission statement says that the club must “exceed the expectations” of members. But how can the employees exceed expectations if they don’t know what those expectations are? A more realistic mission statement would be to “understand and exceed the expectations” of members.

This need to understand the changing expectations of members requires that management continually “take the pulse” of the membership by any means available. This includes intensive personal contacts, management calling programs, membership meetings, various member or advisory boards, surveys, comment cards, analysis of members’ club usage and spending habits, as well as ongoing feedback from employees about the receptivity of members to the club’s offerings and individual member preferences.

Take Away: Club management cannot begin to satisfy the needs and desires of members unless it knows what they want. This requires a discipline of listening to the members by all managers and employees at every level and then providing well-analyzed and intelligent products and services that the members want.



#100

Member Engagement

Club employees are expected to engage with members to make them feel welcome and comfortable whenever they come to the club. So how do you get employees to do that? Here's one club's approach to ensure all employees understand what's expected of them.

"Several years ago, I was working as project manager for a start up private club in a planned community. In order to impress our commitment to service upon the newly-hired staff, we wanted to create a short, easy-to-remember saying that would embody our Service Ethic. Here's what we came up with:

'Our members and guests:

- **Know them like family.**
- **Greet them like long, lost friends.**
- **Treat them like Rock Stars.**

**If you remember these three simple statements,
you'll always have the right Service Ethic in mind.'**

What do we mean when we say, 'Know them like family?'

- First, you must learn and use their names. This takes some effort but is an effort you must make.
- Next, you want to learn their habits and preferences so you can anticipate their needs and desires. If Mr. Jones always wants his Scotch neat, then you should have it ready for him when he sits down.
- Lastly, you need to always read the situation. How you interact with an exuberant group of golfers just off the course will be entirely different from Dr. and Mrs. Smith coming in to celebrate their anniversary. Read the situation and assess your level of engagement accordingly.

How do you ensure you 'Greet them like long, lost friends?'

- Your greetings must always be warm and sincere.
- You should be genuinely happy that members are coming in to support the club. Make sure you convey that happiness.
- First impressions will often determine everything that follows. Get everything started on the right foot by the quality of your greeting.
- Remember that there is a fine line between warm, friendly service and familiarity. Members are not your buddies, and you must keep a professional distance.
- Always send members off with a sincere farewell and a 'thank you' for coming in.
- The last impression you make will be the one they remember till their next visit.

What does it mean to treat 'Treat them like Rock Stars?'

- The Club will continually be looking for ways to provide 'over the top' service touches, but you also have the opportunity to do the same with the service you provide everyday.
- Be alert for opportunities to do the unexpected, to wow members. Be creative and create memories they won't soon forget.

Take Away: How employees engage members is a discipline that must be taught.



#101

Basic Service Issues – 1

There are certain basic service issues common to most clubs.

- **Maintaining Decorum.** Clubs typically develop an atmosphere that is a reflection of its membership. Whether formal or casual, the attitudes and behaviors of members will establish an appropriate decorum for the club in general and various areas of the club in particular. Employees need to be aware of and maintain this decorum.
- **Avoiding Familiarity.** Many members live a more casual, relaxed lifestyle and they naturally carry this casualness into their interactions with club employees. Some members ask employees to call them by their first names and enjoy joking and exchanging banter with employees. This, however, can create a potential minefield for employees.
- **Avoiding Sensitive Topics and Language.** Club employees should always avoid engaging in or responding to conversations with members on sensitive or controversial subjects such as religion, politics, discussions of other members, and ethnic or off-colored jokes.
- **Enforcing Club Rules.** Each club has rules and regulations for its members to follow such as dress code, proper golf course etiquette, ready play, prohibition of carrying coolers on the golf course or in the pool areas, etc. Unfortunately, when members do not follow the rules, it is up to employees to enforce them. Often the infraction is unintentional, and the member simply needs a reminder. In some cases, it may be best to make an exception in the immediate case to avoid embarrassment, but the member should always be educated in the process to avoid future problems. When informing members of a rule violation, it is always helpful to offer an alternative to the member, for instance, seating inappropriately dressed members in the bar to eat instead of the dining room.
- **Offering Special Touches.** There are small, yet special touches that demonstrate the club's commitment to service. Special touches should be devised and included in all areas of the operation.
- **Meeting Service Requests.** As an operation that caters to the needs and desires of its members, clubs will make every effort to meet the special requests of its members. Going the extra mile to provide service will always impress members and their guests.
- **Satisfying High Maintenance Members.** Employees should understand that there will always be 'high maintenance' members. Satisfying their higher expectations is part of the cost of doing business and the ultimate challenge of service. So, employees should not dwell on the difficult few; rather, they must recognize each request or complaint as legitimate and focus on the solution.

Take Away: Providing high levels of service is a highly-nuanced endeavor. Managers should review basic service issues with every employee in all areas of the club operation.



#102

Basic Service Issues – 2

There are certain basic service issues common to most clubs.

- **Knowing your Facility.** Every dining room has good seats and bad seats. The good seats are near the fireplace in winter, overlooking the verandah in summer, or a booth for quiet, intimate dining. Conversely, there are bad tables under air conditioning vents, near pantry and exterior doors, or near a large party of young children. You and your employees should be aware of the good, the bad, and the ugly of the club and seat members accordingly
- **Knowing Member Names.** Members want to be recognized and acknowledged at their club. These are among the main reasons people join clubs. Strive to learn their last names and address them as Mr., Mrs. Ms., etc., every opportunity you can.
- **Knowing Member Habits.** You and your employees should make every effort to learn the habits of members, particularly those who use club frequently. Whether it's Dr. Jones liking his martinis dry and straight up or Mrs. Smith's inability to tolerate dairy products or Mr. Martin always having a Courvoisier after his meal, these tidbits of information, when followed up on by employees, provide a higher level of service and a personal touch that is always appreciated by the member.
- **Reinforcing Club Value.** It is through the daily casual conversation with members that you can build value. Most members pay dues monthly or quarterly, so the club must reinforce to them that their money is well spent. Talk about the upcoming club activities and events, talk about an exciting new offering in the dining room, talk about items of interest that will help them see the benefits of being a member at their club.
- **Maintaining Club Appeal.** One way to ensure that the club is appealing to members is to pretend you are the member. Each time you arrive to work, walk into the club facility as if you were a new member or were entertaining guests. Walk around the clubhouse, view the dining rooms and bar area, look at the bathrooms; all the time acting as if you have never set foot on the premises. Look from top to bottom and see if you discover something that is out of place, dirty, or in need of repair. Then take action to fix it.
- **Establishing the WOW Factor.** We must all recognize that what excites and astounds today will be seen as old news tomorrow. For the club and its employees to continually provide the unexpected service touches that wow our members, we must challenge ourselves to brainstorm and plan for ways to continually impress. We cannot leave it to chance.

Take Away: Providing high levels of service is a highly-nuanced endeavor. Managers should review basic service issues with every employee in all areas of the club operation.



#103

Wow Factors

No one but a few creatures of habit likes the ‘same ol’, same ol’, yet that’s what many clubs serve up year in and year out. Why not try a different approach that will ‘wow’ your members? Make wow factors a part of your club’s traditions. What is a wow factor? It’s anything, usually unexpected, that causes your members to say or think, ‘Wow, I didn’t expect that!’ or “Wow, that’s impressive!”

Wow factors are characterized by their unexpectedness and as such any wow factor cannot become part of your club routine. They are executed for one-time or short-term effect. They should also be unusual – either cutting edge or just out-of-the-ordinary. They can be extravagant and expensive, but these should be few and far between. Most wow factors should be small scale, inexpensive, and momentary, that is, of short duration as in one day, one evening, or one event.

The key to making wow factors is to challenge your club’s department heads to come up with a specified number of wow factor ideas for their areas of the operation – say 10 new ideas for the coming busy season. Each idea should be briefly described on paper – what it is, how it will be done, what items need to be purchased, any talent that needs to be contracted, any associated labor cost, and an overall estimated cost. Then all department heads should meet with the general manager in a brainstorming session to discuss, settle on, and schedule the roll out of each wow factor. Several tips:

- Execute your wow factors where they will have the most effect – food and beverage areas, golf areas, locker rooms, special events, activities, aquatics, tennis.
- Plan, budget, and schedule. Formalize your program enough so that the wow factors are spread out and spread around. Always have a budget. Say you budget \$500 per month for club-wide wow factors. The cost to the club is \$6,000 per year – not an inconsequential amount but think of the benefit to member pleasure and even employee morale.
- Wow factor ideas are everywhere. Borrow from other establishments or something you saw on vacation. The Internet is a treasure trove of ideas. Google-search words or phrases such as ‘Fun,’ ‘Fun Ideas,’ ‘Fun Activities,’ ‘Fun Recreational Activities,’ and ‘Inexpensive Activity Ideas’ and you’ll get a sense for how many resources are out there.
- To keep your costs down, get together with vendors for freebies. Many would be thrilled to get some exposure to your members for their products and services. Just make sure you prominently give them credit for their donations.
- Once you’ve used a wow factor, save the idea for some future time. Avoiding routine doesn’t mean never doing it again, just doing it again when unexpected. Over time, you’ll develop an extensive list of wow factors that can be deployed for maximum effect at some future moment.
- Keep your wow factor strategy, plans, and schedule under tight wrap. Don’t ruin the surprise with “loose lips.” Let your members do the talking about the wow factor, not you or your staff. Act like nothing special is going on, while the members “buzz” about the unusual and unexpected. Certainly, you may acknowledge a wow factor when asked about it, but act like it’s no big deal, just some little thing that happened spontaneously.

Take Away: Members will still ask, “What have you done for me lately?” but they’ll be delighted by the wow factors and your staff will be energized by the fun of “giving” these special gifts to your membership.



#104

The Daily Huddle

The Ritz-Carlton Hotel Company, renowned for its “legendary service,” reinforces its service principles every day during every shift in every one of their properties world-wide. Every employee, from senior executive to most recently hired worker, attends the “Daily Line-up” where values are discussed.

Compare this Daily Line-up with the habits of professional athletes, whose jobs require peak performance, both individually and as a team, in an environment where “winning isn’t everything, it’s the only thing!” These athletes huddle for a few moments before every game to remind themselves of their commitment to each other and their mission to win. In the service business the game is every day, every shift, and the need to “win” is just as important. So, we propose the discipline of the *Daily Huddle*:

- **The rationale.** To ensure that the club’s Culture of Service and values are continually reinforced, the *Daily Huddle* is an important discipline that requires every manager from the general manager, to department heads, to supervisors, to the most newly-hired employee to attend a *Daily Huddle* with their department or section each and every shift, every day.
- **The purpose.** The purpose of the *Daily Huddle* is to give employees an opportunity to revisit and reinforce values with co-workers daily. The *Huddle* should take no more than ten minutes and, as much as possible, be held at the same time for each shift to make it part of the daily routine.
- **The format.** The *Daily Huddle* will include an assigned presentation or discussion of some element of club culture or values by an employee – anyone in the department or section, but usually line staff who must put the values into their own words and connect it to their daily work. Managers and supervisors may periodically present, but they should not “steal the show.” Presenters should be prepared to discuss their topic for 2 to 3 minutes.

To assist presenters, Private Club Performance Management has prepared an annual calendar of suggested weekly topics to “steer” discussions toward some element of club culture or values, as well as tips to improve the discussion of topics. These *Daily Huddle* suggested topics can be found on the PCPM Marketplace store. Any manager or employee who has a pressing issue or timely discussion topic can substitute their own.

The *Daily Huddle* should also be used to recognize staff birthdays, anniversaries, births; a review of individual member preferences; major personal events or accomplishments; extraordinary service rendered by employees; or any other topic deemed appropriate by the department head.

Managers and supervisors should assign daily topics to presenters at least a week in advance to give them time to prepare for their presentation. At the time assignments are made, the affected employees should be directed to the list of tips on how to prepare an interesting and informative discussion.

The *Huddle* is a significant bonding experience for any department or section and must not be taken lightly or glossed over. In order to be successful, leaders at every level must **enthusiastically** embrace the concept, recognizing its essential role in fostering a service attitude.

Take Away: Without a leader’s ongoing commitment and example, the *Huddle* will become a meaningless corporate requirement and employees will not recognize or understand the value and contribution of their daily efforts to the larger club goals



#105

Safety

The club accepts responsibility for the health and safety of its members and employees. To meet this responsibility the club shall take reasonable steps to ensure employees:

- Work and act in a safe and healthful manner;
- Conduct their work in compliance with all applicable health and safety rules;
- Use all means and methods available to work in a safe and healthy manner;
- Not remove or disable any safety device, guard, notice or warning provided for use in providing safe working conditions; and
- Are informed about any known health hazards to which they are exposed, the measures which have been taken for the prevention and control of such hazards, and the proper methods for utilizing such control measures.

While the general manager has ultimate responsibility to ensure that the club provides a safe environment for members, guests, and employees, managers and supervisors have the following responsibilities for safety:

- Identify any safety hazards in their areas of responsibility.
- Analyze departmental positions for inherent safety hazards.
- Modify work practices or workspaces to reduce hazard risks.
- Ensure proper training of employees in all matters relating to safe work practices and work environment.
- Cooperate with the club's safety director in conducting routine safety inspections.
- Correct all deficiencies noted in such inspections in a timely manner.
- Investigate and analyze accidents to determine unsafe condition and causes of accidents.
- Promptly and properly complete Accident Reports when necessary.
- Enforce safe work practices, special safety requirements, and the use of safety clothing, equipment, and protective devices.

For a complete discussion of club safety issues and responsibilities, review the [Club Safety Plan](#), available on the PCPM Marketplace store.

Discussion Points: Discuss the important issues of health and safety at the club and the ramifications of failing to meet these responsibilities.

Take Away: Club managers responsible for the safety of members and employees.



#106

Security

The following areas should have assigned responsibility for security and written opening and closing procedures to ensure that they are properly monitored or secured at all times.

- **Retail Shops and Storage Areas.** Retail shops have large, expensive, and desirable inventories and should be closely controlled. Closing employees must be trained and held accountable for properly securing the retail and storage areas. Because of the value of the inventory, retail outlets should have security systems to include door contacts, motion sensors, and video cameras.
- **Food Storerooms and Walk-ins & Alcoholic Beverage Storage.** The same applies to any areas that contain food or alcoholic beverage stocks.
- **Kitchens & Bars.** Kitchens and bars not only have stocks of food and beverage, but also valuable equipment and supplies. Also, they are among the last of club facilities to close for business. Assigning responsibility and accountability for security of these areas is of paramount concern.
- **Fitness facilities and spa operations.** The same applies to these facilities due to the high value of equipment and retail items found there.
- **Cart Barn.** The cart barn or storage area contains high value equipment and supplies and is usually open later than the golf shop. Often, line employees are left to close without management supervision.
- **Bag Storage.** In some cases, members have thousands of dollars invested in their golf clubs and bag. Further, the club charges an annual fee for storing the members clubs on the premises. Theft of members' equipment is extremely embarrassing to the club and warrants extra efforts to protect the members' investments.
- **Pools.** Swimming pools represent both a security and a safety hazard. While there is some danger of theft of pool equipment and seating, the larger concern is unauthorized use and vandalism.
- **Golf Course Maintenance Shop.** The golf course maintenance facility is filled with high-priced equipment. Add to this its usually remote (and often concealed) location, and it can be a tempting target for thieves or vandals. Having an appropriate and monitored security system is essential to protect the club's large investment here.

The result of all security practices and devices should be the prevention of loss and the safety of members, guests, and employees. While well-designed security systems can go a long way to limit the club's risk, it is for naught if employees are not properly trained to operate the system, do not have assigned accountability, and are not vigilant regarding security matters.

Discussion Points: Discuss any of the above areas and their specific security issues and needs. Review with managers what steps have been taken to secure these areas and what other steps might be taken.

Take Away: Security of a club rests upon the discipline and vigilance of its managers.



#107

Key Control

All clubs should have a key control plan. Here are the reasons why:

- Clubs have high value furniture, fixtures, and equipment, and typically have large numbers of exterior doors – many of them in remote or hard-to-monitor locations.
- Clubs typically have ongoing levels of turnover and over time have a high probability of missing keys.

This is particularly true of older clubs who haven't changed their locks in years and have a long history of managers coming and going. In these situations, no one has any idea who has keys or what keys they have. Here are the steps to getting your keys under control:

- Do a census of "security" doors – that is exterior locking doors and those to sensitive areas such as the kitchen, bar, storerooms, pro shop, bag storage, cart storage, etc.
- Conduct a census of which managers and supervisors have what keys. Analyze the list for 'need to have' and recover unneeded keys.
- Design a new list of what positions need what keys.
 - Be very sparing of who gets master and sub-master keys. My recommendation is one master for the general manager, one for the maintenance supervisor, and one for the Manager on Duty program.
 - Do not allow line employees, such as maintenance workers and housekeeping staff to have master keys and do not allow them to take any keys home. This will necessitate a sign out/in policy and procedure for sub-master and specific keys needed by workers.
 - Set up a lock box with sub-master keys for maintenance workers and housekeeping staff if they must work outside of normal business hours.
- Make decision about re-keying the club. Factors include how long since last re-key, level of turnover (particularly among management staff), willingness to take a risk, and cost.
- Place a designated manager in charge of key control and make this individual responsible for preparing a written key control plan and procedures for issuing and recovering keys, as well as recording all key transactions. Any special or unusual request for issuance of specific keys must have the general manager's approval.
- Re-issue keys on a need-to-have basis and record exactly who received what keys.
- Ensure you have a method in place to recover any keys from departing employees – both management and line staff.
- Most importantly, have a written key control plan in place, review it periodically, and ensure that it is followed to the letter. Part of the plan is the requirement that missing keys be reported immediately to the general manager.

Security is too important to leave to chance and the easiest way for unauthorized persons to access the club is with a stolen or misplaced key. A key control plan, then, is your first step toward better security.

Take Away: Key control is a critical discipline of any security plan.



#108

Personal Productivity – 1

Club management is a demanding and time-consuming profession. Managers and supervisors too often find themselves reacting to events and constantly responding to the crisis of the moment. In order to stay ahead of the never-ending press of daily operations and to attend to the many important issues of member service, a manager must be well-organized and highly productive. Below are some of the strategies and habits that can improve your personal productivity.

- **Annual planning.** Have an annual plan and timelines for your department or section. Put it in writing to commit to its accomplishment and review it on a regular basis.
- **Work planning.** Your personal work plan will include what steps need to be accomplished to meet your departmental goals, but will also have personal goals, such as developing yourself and your skill set.
- **Use a Day-Timer** to better organize yourself, your schedule, and your daily tasks. Use it to look ahead and plan as well as to keep a record of your daily and weekly goals, activities, meetings, and tasks completed. The same can be accomplished with cell phone applications or a personal digital assistant.
- **Make lists and prioritize.** Priorities change frequently – even daily – so keep a list of priorities (1. Critical – must be accomplished as soon as possible; 2. Priority – must be accomplished; 3. Routine – may be accomplished as time and resources permit).
- **Develop and use checklists.** These pre-prepared lists for project work, such as organizing storage areas or deep cleaning workspaces, can be used to assign your employees recurring tasks when business is slow, but you are not yet prepared to send anyone home.
- **Plan ahead.** The planning horizons may vary from department to department, but you should always be looking ahead at least one month (and often 2 to 3 months) for special events, seasonal activities, increasing or decreasing business levels, vacation scheduling, and any other events or activities that require advance planning.
- **Use a personal computer.** The PC is a great productivity tool and standard word processing, spreadsheet, and graphics software, such as MS-Office, will allow you to create professional-looking documents that can be stored for future use or modification, such as written standards, policies, and procedures; training materials; budgets and benchmarks; and room diagrams. Having these skills will not only make you more productive and help you communicate more professionally but will significantly enhance your career opportunities and progression.

Discussion Points: Discuss any of the points above, particularly how each discipline will help save time and make managers more productive. Ask managers if they can add any of their own productive habits to those discussed.

Take Away: Personal productivity is a key discipline for any club manager.



#109

Personal Productivity – 2

In order to stay ahead of the never-ending press of daily operations and to attend to the many important issues of member service, a manager must be well-organized and highly productive. Below are some of the strategies and habits that can improve your personal productivity.

- **Organize and save your work.** As you produce written standards, policies, and procedures; training materials; various communications; specialized spreadsheets; and any other intellectual material on the computer, save them for future use. Most of what you spend time to create you'll use again as you progress through your career, but you must be able to find it.
- **Benchmark your operation and forecast business levels.** Benchmarking will give you a deeper understanding of your business and its seasonality and will help you budget more accurately for future years. It will also allow you to formally forecast upcoming business levels, allowing more efficient staffing. Both these disciplines will help take some of the guesswork out of your business decisions.
- **Master and delegate routine tasks.** Routine tasks such as setting schedules, ordering consumable supplies, benchmarking, formal forecasting, and others can and should be delegated to competent and conscientious employees. You must still supervise the work and check its accuracy on a regular basis, but you'll save your own time while helping develop the confidence and abilities of one or more of your employees. Be sure the selected employees are also benefiting by the arrangement through genuine learning opportunity or possibly additional compensation for the tasks. Also, before you delegate any task to another, make sure you have mastered the task yourself, have a complete understanding of any and all issues involved, and train the selected employee thoroughly – not just by showing him how, but by explaining why at the same time.
- **Establish daily, weekly, monthly, seasonal, and annual habits.** The above disciplines will be far easier to implement if you establish regular schedules to do some of them.

The efficiency of your operational area and your employee work habits will reflect your personal productivity. To the extent you are disorganized, undisciplined, and work without a plan, your area of the operation will follow suit.

Discussion Points: Discuss any of the points above, particularly how each discipline will help save time and make managers more productive. Ask managers if they can add any of their own productive habits to those discussed.

Take Away: Personal productivity is a key discipline for any club manager.



#110

Time Management Disciplines

In the often-hectic environment of club management, managers must use their limited time efficiently to be effective. Understand that time management is not about managing time. It's about identifying time-wasting personal habits and changing them to be more efficient. Here are some disciplines that will help:

- Ensure your department or section is well-organized with detailed operating systems, standards, policies, and procedures. Without these, employees "freelance," requiring continual supervision and intervention to do things properly. This will eat up more of your time than anything else.
- Plan ahead. Always be looking ahead for upcoming activities, events, projects, and tasks. Planning is near impossible if a manager always has his head down. By identifying upcoming tasks, the manager can review what needs to be done to prepare.
- Make to do lists. Not only do lists help on a day-by-day basis, they should be made for upcoming events and tasks.
- Establish priorities and continually review them.
- Develop routines. Daily, weekly, and monthly routines help sort out what has to be done and when.
- Use checklists for routine tasks. Tasks such as monthly inventories, new hire onboarding, and benchmarking summaries should be detailed on checklists that can be used as necessary.
- Develop and use meeting disciplines when planning and holding meetings.
- Delegate routine tasks to properly trained subordinates.
- Organize workspace, files, and records. An immense amount of time can be wasted by looking for misplaced items such as:
 - Personnel files
 - Departmental benchmarks
 - Contact information for frequently contacted individuals
 - Training materials and checklists
 - Room and space diagrams
- Use a personal computer to create important information, particularly those items that will be used again and again. Save and organize these items so they're easily found.
- Use a Day-Timer or Personal Digital Assistant to organize contacts, emails, and schedule.
- Set office hours to avoid excessive interruptions.
- Set and keep a routine schedule as much as possible.
- Keep track of those things that waste time. Review this list periodically and brainstorm ways to avoid "time wasters."

Take Away: Managers have a lot going on and must be disciplined not to waste time.



#111

Delegation

Delegation can be a tremendous training tool for individuals who want to learn and do more. Delegating duties to employees makes sense for three reasons:

- It frees up managers' time for other matters,
- It develops employees to take on broader responsibilities, and
- It prepares others to step into a particular position should the incumbent move on.

Practice delegation by selecting one or more employees who show both the aptitude and the interest to take on expanded duties. The manager's role towards these individuals should be that of a mentor.

When mentoring staff, in addition to showing them what to do, the manager needs to explain in depth the reasons behind various duties. If they are to grow into broader responsibilities, they will need to have knowledge, not just technical experience. While mentoring can be time-consuming, it will ultimately free up a manager's time. Employees will appreciate both the interest and effort devoted to their development and the manager's career and personal development will be advanced by the additional time he has to focus on other issues and projects.

Cautions:

- Unless the manager makes a concerted effort to provide employees proper direction, feedback, and ongoing growth opportunities, delegating may alienate them. In other words, don't use them. The manager needs to put effort into their growth and make it worthwhile for them as well.
- If employees are put in a supervisory role, pay close attention to how they interact with other staff. The critical aspects of supervision are directing and motivating employees. Many first-time supervisors have difficulty with the more subtle aspects of directing employees and may end up alienating the rest of the team.
- When authority is delegated to a subordinate, the manager still retains the responsibility that it is done correctly. A manager must never use the excuse that he told a sub-ordinate to do something, and it wasn't done.

Delegating requires extra effort on the part of a leader, but ultimately it is one of the most rewarding things he can do. Not only will the manager have more time to concentrate on projects and details, but he also helps others grow personally and professionally – certainly, a win-win scenario for everyone.

Take Away: Delegating can be a win-win situation for both the manager and the employee and frees up the manager's time for other matters.



#112

Food and Beverage Disciplines – 1

While creativity and innovation are hallmarks of an outstanding culinary experience, it is a daily focus on the basics that makes a foodservice operation profitable. The following disciplines are taught in every hospitality program, but its the daily application of these that makes a difference.

- **Standardized and costed recipes.** Recipes for every menu item, both à la carte and catered, must be standardized and costed. This discipline ensures consistency of product and ongoing profitability. Given the volatility of some ingredients, recipe costing should be reviewed on a periodic basis.
- **Pricing based on known cost structure.** The standard method of pricing is to take the cost of each menu item and multiply it by an appropriate multiplier to cover the cost of labor, other expenses, and overhead. For instance, a 2½ times multiplier should yield a 40% food cost; a 3 times multiplier yields a 33% food cost. This simple formula is all well and good, but if your revenues are below projections and/or your payroll cost or overhead are higher than expected, you may still lose money. Given the interplay of revenues, pricing, volume of business, and cost structure, these numbers must be tracked closely and reviewed frequently.
- **Portion control.** Standardized recipes are costed based upon specific portion sizes. If untrained or poorly supervised employees routinely serve larger than costed portions, your profitability will literally be eaten up. Costly meat and fish products should be weighed to ensure correct portion size. Ladles of specific sizes should be used to plate specific menu items. Pies, cakes, and other baked desserts should be cut and served using templates to ensure the correct number of portions are realized. Cooks and pantry workers must be trained to prepare and serve appropriately sized portions. The discipline of measuring alcoholic beverage portions is critical to profitability in bar operations.
- **Labor control.** Labor, both front-of-house and in the kitchen, is the single largest expense in a foodservice operation; it is also a continuing challenge to control. Electronic timekeeping systems make it easier for supervisors to verify hours worked, but regardless of system used, supervisors must monitor payroll hours daily. Close monitoring of employee hours will reduce overtime and milking the clock, while allowing daily comparison of payroll cost to revenues. Front- and back-of-house supervisors should also keep a daily log that notes revenues, meals served, payroll hours, and a subjective evaluation of the smoothness of service. Such an evaluation of each meal period will enable supervisors to better schedule staff.
- **Benchmarking revenues and expenses.** Benchmarking is the act of measuring and analyzing operating performance. In a food service operation, there are many things to benchmark, such as meals served and average check per meal period by day of week; payroll hours by position by meal period or day; and beer, wine, liquor sold per meal period and day of week. When tracked over time, these statistics become the baseline to project and monitor future performance. Benchmarks also allow measurement of member reaction to foodservice initiatives such as new menus or pricing. Most importantly, benchmarking makes supervisors more knowledgeable about their operations. Such knowledge translates to improved operations and bottom lines.

Take Away: As with so much else in the hospitality industry, it the daily discipline of well-known basics that are the foundation for success.



#113

Food and Beverage Disciplines – 2

The daily application of these disciplines will make a difference on your bottom line.

- **Routine and consistent inventories.** Inventories are critical to monitor stock levels, avoid shortages, control pilferage, and determine cost of goods sold. Inventories can also be time consuming and inconvenient for hard working chefs. Inventories sometimes get delegated to poorly trained subordinates who miss or miscount key items. Sloppy inventories contribute to erratic cost of goods sold. Poorly organized storerooms contribute to sloppy inventories. Keys to accurate inventories include well-organized storage areas, knowledgeable individuals conducting inventories, routine and timely inventories, and organized receiving documents, invoices, and credits slips. Delegating counts is acceptable if employees are trained. However, having the same employee conduct all inventories without spot-checking and oversight will invite problems.
- **Suggestive selling training for employees.** Service employees who are trained in the techniques of suggestive selling can improve the average check and bottom line. Whenever a new menu is put in place, all servers should be provided a “selling sheet” that gives key information about each entrée, including cooking method, ingredients, time of preparation, and enticing descriptors to help sell each item. Just as standardized recipes are important in the kitchen for consistency of product, selling sheets provide the service staff with the knowledge and information they need to sell the product. In addition to entrees, special training should be given for the suggestive selling of appetizers, desserts, wines, and specialty alcoholic beverages. The time spent providing servers with the information and confidence to sell your food and beverages will yield consistently higher average checks.
- **Continual feedback to employees.** Every month’s budgeted food sales is made up of how many meals are sold and how much each member spends on average for a meal. By breaking projections down into meals and average check and posting daily targets prominently in the pantry, servers are provided with goals that connect their daily efforts to profitability. By comparing month-to-date actual meal counts and average check to projected, employees are given a day-by-day record of their progress. People are competitive by nature and this technique will become a powerful incentive to servers. The same technique can be applied to appetizers, desserts, and bottles of wine sold.
- **Forecasting and scheduling.** By tracking revenue and patronage benchmarks and keeping a daily log of staffing, supervisors can develop a routine system of forecasting business levels. While some level of volatility can always be expected, the act of forecasting, when formally done and evaluated after the fact, will assist in maintaining member service while controlling labor cost.
- **Member feedback.** While some members are vocal with their opinions, many are not. Foodservice supervisors should make it easy for members to provide feedback. Member comment cards must be readily available, periodic surveys should be conducted, revenue benchmarks should be analyzed to measure member reaction to offerings and initiatives, and employees should be trained to routinely report comments made or overheard to supervisors.

Take Away: As with so much else in the hospitality industry, it the daily discipline of well-known basics that are the foundation for success.



#114

Golf Discipline – Tee Sheet Reconciliation

A key revenue control measure in the hotel business is the Housekeeping Report – a daily report of all rooms occupied as compiled by the housekeeping department and submitted by the executive housekeeper. This report is then reconciled with the front desk's record of occupied rooms. Any discrepancies or "ghost occupancies" must be investigated as they could be indicative of room theft where a night clerk receives a cash payment for a room, does not ring up the room charge, and pockets the cash instead.

A similar revenue theft can occur in clubs and golf course operations where friends may be allowed on the golf course at no charge, or a cash payment or gratuity is pocketed. To prevent this from happening and to protect one of the club's major sources of revenue, it should be a standard discipline to prepare a Tee Sheet Reconciliation to compare rounds recorded on the tee sheet and the starter's report of players starting on the course. A further reconciliation should take place between the tee sheet count of rounds and revenues and the rounds and revenues rung into the point-of-sale system.

Take Away: Protecting a major revenue source of the club while keeping unauthorized players off the course requires daily discipline and vigilance.



#115

Retail Disciplines

Many retail operations are managed by golf or tennis professionals who have an incentive opportunity based upon gross sales and cost of goods sold. While incentives may only be part of the professional's overall income, there are some disciplines to improve the financial performance of the operation.

- **Use an Annual Buying Plan.** What and how much inventory is bought each year should be carefully planned. The plan should be in writing and be revisited at the end of the year to see how well the buyer did in selling various categories of merchandise. Good buying decisions are the most important thing a retail manager can do to be successful.
- **Benchmark the Operation.** Retail operations must be benchmarked in detail to learn as much as possible about what sells and doesn't sell. The more the retailer knows about member buying habits, the better the future buys can be to serve the market. It's also important to analyze the results of buying and markdown decisions. What and how much items are marked down represent buying mistakes. Retailers should always learn from mistakes to avoid repeating them.
- **Use a Merchandiser's Book.** Proper management of retail inventories and good business practice require that retail managers maintain scrutiny of their buying decision, retail benchmarks, inventory purchase orders, and a log of their major merchandising decisions such as markdowns, sales, inventory discrepancies, write-offs, and any member feedback about the retail operation. By maintaining this information, retail managers have a method of continually analyzing their buying and merchandising decisions with an eye toward continual improvement.
- **Know the Members by using a Membership Retail Book.** Each retail interaction with a member buying merchandise reveals something about his or her buying habits and preferences. A Membership Retail Book is simply a place to organize and record the information learned about each member. In time the Membership Retail Book will accumulate a wealth of information about members buying habits and preferences. This information can be used to better serve members and increase retail sales.
- **Have an Established Discount Policy.** Inevitably some merchandise will not move quickly and will sit on shelves or racks for some time. Such slow-moving merchandise should be made more attractive to members by reducing the price through a series of pre-defined discounts. Tracking such discounts in the Merchandiser's Book may help the retailer understand what didn't sell at full price and this understanding will help improve future buying decisions.
- **Use a Sales and Promotion Calendar.** An annual sales and promotion calendar should be developed to help the retailer market promotional and discounted sales. The more members know in advance about promotions and sales, the more traffic the shop will have.
- **Rotate Stock and Change Displays.** Move merchandise around frequently to keep the shop interesting and fresh. Use props and displays to showcase merchandise. Seasonal decorations offer many opportunities to make the shop attractive and inviting. Ensure shop clerks are familiar with all products in the shop. Staff must be familiar with their inventories and knowledgeable about products carried in inventory in order to sell them effectively.

Take Away: Basic disciplines will improve the performance of retail operations.



#116

Housekeeping Disciplines

When one considers all of the things that go into making a club distinctive and appealing to its members, one of the most visible is its cleanliness. Whether a club has its own housekeeping staff or contracts with a cleaning service, cleanliness is an essential element of a quality club operation. As with any other aspect of quality, standards must be defined and ensured. The following list includes some of the essential areas that must be monitored for a high level of cleanliness:

- **Entryways** are one of the most visible areas of the club through which every member and guest will pass and make the first impression of any visit to the club. Sidewalks and pavers must be constantly blown or swept. Cigarette butts must be policed continually; trash or butt cans must be cleaned and emptied frequently. The entry door must be appealing. Smudges and handprints on glass doors or sidelight windows are unsightly and require constant wiping. The doorsill or plate has edges and grooves that collect dirt and debris and is often overlooked. Entry walk-off mats need to be removed and cleaned daily.
- **Restrooms** are areas where members expect the highest level of sanitation and cleanliness. They are used constantly and need constant attention. Sinks and counters need to be wiped down. Mirrors get spattered and must be cleaned. Trash cans, particularly on busy occasions, can overflow with hand towels and waste. Supplies must be checked and replenished as usage levels dictate.
- **Dining Rooms and Bars**, because of the food and beverages served, must be kept clean and “appetizing” at all times. Trash cans must be emptied frequently, wiped down, and sanitized to avoid offensive odors. Carpets around tables and chairs receive spills and dropped food items. They must be vacuumed thoroughly daily and shampooed with some frequency. The furniture itself must be cleaned daily to prevent food buildup. Young children can make a mess of highchairs with each use. These must be cleaned and sanitized after each use. Menu covers can quickly get smudged and grimy and should be cleaned or replaced often.
- **Lobby or Seating Areas** often have large overstuffed furniture. These should be vacuumed daily, particularly the cushions which collect dust and debris under cushions and along raised seams. Tables and bookshelves need to be dusted daily.
- **Picture Frames, Paintings, and Window Molding** need frequent dusting and are often overlooked, particularly if high on a wall.
- **Windows** allow light to enter, and **Mirrors** reflect that light. Often one doesn’t notice how dirty they can get until light hits them in a certain way, and this will most certainly be noticed by members.
- **High Ceilings, Chandeliers, and Ceiling Fans** give dramatic effect, but are the perfect place for cobwebs and dust to collect. Inspecting with a keen eye and the use of a telescoping duster should be a daily habit, particularly in food service areas.
- **Verandahs and Porches** require the same discipline, but even greater vigilance given their exposure to the elements.
- While not as visible, **Sanitation** is of even greater importance given the health and hygiene implications. Disinfectant cleaners must be used on any surface touched by human hand.

Take Away: Housekeeping, like any other area of club, must have established standards and disciplines to ensure quality and consistency.



#117

Maintenance Disciplines

Every club, no matter the number of amenities it has, requires ongoing maintenance of its structures, vehicles, equipment, interiors, fixtures, and furnishings.

Most clubs have some sort of facility manager or maintenance supervisor position, as well as maintenance workers. Yet often their work seems haphazard and hard to monitor and measure. Often the best (or worst) indication of a weak maintenance effort is the sheer numbers of broken, damaged, and inoperative items in and around the club.

Yet organizing one's maintenance department is no different than organizing any other area of the club. Here are some disciplines to get a better handle on the maintenance effort:

- Implement a **preventive maintenance program**. Well-maintained equipment lasts longer, has fewer inconvenient breakdowns, and often uses less electricity.
- Develop a **preventive maintenance schedule**. Those items of PM that are beyond the capabilities of your maintenance staff should be set up on maintenance schedules with outside contractors.
- Ensure that the maintenance supervisor has **Operation and Maintenance manuals** for all major systems and pieces of equipment. These manuals specify maintenance requirements and service schedules.
- Establish a **work order system** with designated priorities (1 – Emergency, 2 – Priority, 3 – Routine, and 4 – Project Work). Define what each term means and require all department heads to submit written work orders to the maintenance department.
- Require the maintenance supervisor to establish an **outreach program** to touch base with each department head on a regular basis to assess needs and priorities.
- Require standardized, **documented periodic inspections** of all areas of the club. Some need to be daily, others weekly, monthly, or quarterly. Benchmark the results of these inspections.
- Require the maintenance supervisor to devise and maintain **repair and maintenance benchmarks**, such as the number of work orders (by priority, department, task categories, type of equipment, and man hours involved). These benchmarks will allow the general manager to better monitor the facility maintenance function of the club.
- Establish **contingency procedures for emergencies** and after hours' repairs, including who should respond or what contracted service should be called.

Repair and maintenance efforts are often poorly handled, particularly in small, standalone operations. Implementing these initiatives and disciplines will help management get a better handle on maintenance needs, budget, and staffing.

Take Away: Facility maintenance, like any other area of club, must have established standards and disciplines to ensure quality and consistency.



#118

Meeting Disciplines – 1

“There are four basic types of meetings that serve the need of improved communications:

- **The Update Meeting.** This meeting is used by management to update peers on their initiatives and progress. The primary example of an update meeting is the general manager’s weekly meeting. Its purpose is to allow the club department heads and the GM to bring each other up to speed on various projects, issues, and efforts of general importance. Its purpose is general in nature, and it should not be used to solve complex problems or address controversial issues that cannot be resolved quickly or easily. The central elements of the update meeting are brevity and generality. The valuable time of a lot of very busy people is being used in this meeting and everyone has a responsibility to arrive on time, be brief in their presentation, and cover information that is general and broad-based in nature.
- **The Employee Meeting.** This meeting is used by managers to communicate information of importance to his or her staff. Such information can include new or changed policies and procedures, discussion of new initiatives, ongoing or refresher training material, and anything else of importance to the department. As with the Update Meeting, should controversies or issues affecting only a small number of employees come up, the matter should be tabled and dealt with in another meeting called solely to deal with that issue or with the few employees involved. Every employee meeting should include ample time for employee questions. Allowing employees this opportunity will allow the manager to take the pulse of the department’s attitude and morale, may uncover previously unknown issues, defuse potential blowups, and foster better understanding and teamwork in the department.
- **Issue Resolution Meeting.** This type of meeting is called specifically to resolve an issue. Only those individuals who have a direct bearing on the issue are invited to the meeting and its sole purpose is to solve the problem. In some cases, the problem cannot be solved in one session and may have to be continued to a further meeting with the possibility of others being included.
- **Coordination Meeting.** This type of meeting should be held whenever there is the need for close coordination between various club departments. A good example of a coordination meeting would be a weekly food and beverage meeting with the front and back of house supervisors that covers all catering events for the coming period. Another example would be a meeting called to cover the particulars of a large or important club event such as the member-member tournament or a major wedding.

As with anything else in business, the quality and efficiency of the meeting is only as good as the effort put into it by the person leading the meeting.”

- Ed Rehkopf, *Conducting Meaningful Meetings*

Take Away: The type of meeting and how it’s conducted should match its purpose.



#119

Meeting Disciplines

“The success of meetings can be attributed to the preparation of the person responsible for calling or running the meeting. Various methods for running effective meetings are discussed below.

- **Establish the Purpose of the Meeting.** When calling a meeting, the person responsible should, in addition to setting the date, time and place, make it clear what the meeting is about, who will be attending, and the type of meeting to be held (update, informational, issue resolution, or coordination). Participants should also be told of any information, research, presentation, or materials they are responsible for bringing to the meeting.
- **Set an Agenda for the Meeting.** Given that every meeting should have a purpose, the person calling the meeting will prepare an outline of the discussion points to serve as an agenda for the meeting. The agenda should then be provided to each participant so they may better prepare for the meeting. The format for an agenda is simply a listing of the topics to be covered or addressed. Regularly scheduled update meetings of standard format usually do not need an agenda so long as all participants are familiar with the format and requirements of the meeting.
- **Time Management.** Long, pointless meetings are detested by everyone. Setting an agenda will focus the meeting on a topic or issue, but unless the person calling the meeting exercises leadership and control, the meeting can easily be sidetracked into ancillary or tangential issues. While always sensitive to participant’s input and feelings, the leader should intervene when discussions get off topic or wander into the wasteland of irrelevancy. In some cases, such as update meetings, participants should be given time limits to update their areas; but recognize that time limits may inhibit issue resolution meetings and should be used with care in that setting.
- **Meeting Minutes.** Minutes are required anytime an important meeting is held where committee decisions are made. The prime example of this would be in member-owned clubs where various committee meetings make decisions regarding how the club operates. The minutes serve as a record of discussion and voting and may be used to inform the membership of important decisions. Minutes are not usually required in managers’ update meetings, employee meetings, coordination meetings, and issue resolution meetings unless a higher authority desires that minutes be prepared. For instance, a general manager planning a vacation may direct subordinate managers to solve a issue while he or she is gone and provide a record of the meeting. In the absence of minutes, all participants are expected to bring pen and paper and to take notes on any important matters covered.
- **Summarize Decisions and Action Items.** In any type of meeting where decisions are made, the meeting leader should summarize what decisions have been made. This is important because often the discussions leading to a decision are far-ranging. Without a clear statement of what course of action has been determined, some participants may leave without an understanding of what was decided. Similarly, if participants are assigned action items (that is, are assigned specific tasks to complete), they also must have a clear understanding of what they are to do and when it must be accomplished.

Take Away: The most important factor in productive meetings is the preparation and leadership of the person calling and running the meeting.



#120

Manager on Duty Program

Clubs are typically open 6, and sometimes 7, days a week and long daily hours to properly serve members. Just as it's important to organize the club for efficient operations, it's important to ensure that the club has appropriate management coverage during all hours it's open. The Manager on Duty (MOD) program is designed to do just that.

To establish an effective MOD program, the following is necessary:

- Determine what days and hours require MOD coverage. One club required an MOD only on Sundays during the day since there was sufficient management coverage during normal business hours Tuesday through Saturday, and coverage by F&B managers each evening from 5 p.m. till close.
- Establish those management positions eligible to serve as MOD. Some positions, such as executive chef, golf and tennis professionals, and club controller were exempted.
- Establish a detailed list of MOD responsibilities and requirements, such as checking all facilities to ensure they open on time and are properly staffed, checking entrances and restrooms for cleanliness, conducting a minimum of three walkabouts during the shift to maintain a highly visible presence with employees, checking on all activities and events, and interacting with members. When not engaged in these duties, the MOD can be working in his or her office but is available to assist or deal with issues as necessary.
- Create an MOD Book containing all the information potentially needed during the shift, such as emergency contact list, current schedule of events, hours of operation for all facilities, contingency instructions for emergencies, listing and locations of utility emergency shut-offs, etc.
- Prepare a standardized report to be filled out by the MOD indicating tasks completed, such as checking all facilities and on-time openings, recording times of walkabouts, monitoring of activities and events, checking grounds and restrooms, and documenting any issues or problems, etc. A primary responsibility of the MOD is to check on all aspects of the operation, remembering that what gets checked, gets done.
- Establish procedures to draw the MOD keys and book, as well as to return same at the end of the shift along with the completed MOD report for the general manager's review.

The MOD program not only ensures appropriate management coverage and visibility, but it also reinforces to all managers in the program the importance of checking all aspects of the operation. Such attention to detail and visible management presences sends a powerful message to employees that they are supported by a responsible manager on premises at all times and their efforts and work are monitored.

Take Away: Maintaining a responsible management presence at all times is reassuring to members and sends a powerful and supportive signal to employees.



#121

10 Disciplines that Will Transform Your Club – 1

Arguably the greatest business book to appear in the last quarter century is Jim Collins' *Good to Great, Why Some Companies Make the Leap . . . and Others Don't*. Quoting from the book:

"A culture of discipline is not just about action. It is about getting disciplined people who engage in disciplined thought and who then take disciplined action."

These disciplines, when conscientiously and consistently applied, will revolutionize your operation.

1. **Service-Based Leadership**. Don't assume that your management team has the necessary leadership skills. Consistent, club-wide leadership is necessary to ensure that the general manager's vision is consistently communicated and thoroughly implemented. To avoid dilution of core values managers must be trained to a common understanding and application of leadership. Service-Based Leadership provides the example of service to all employees and creates the environment for employee empowerment.
2. **Organizational Values and Culture of Service**. Every employee must be immersed in a consistently reinforced culture of service based on well-defined values. Unless you establish the desired culture of service, one will arise on its own and invariably will be at odds with your vision.
3. **Benchmarking**. You can't improve what you don't measure. All club departments must be benchmarked in detail. These benchmarks will tell you far more about your operation than just whether you made a profit. They will help you identify emerging issues, troubling trends, and inform your decision-making and solutions.
4. **Tools to Beat Budget**. The discipline of tracking your revenues and expenses in real time will focus the entire management team on meeting or exceeding budgets. It will also make budgeting for future periods far easier and more accurate.
5. **Continual Process Improvement**. Never rest on your laurels. Yesterday's accomplishments may have been good enough for yesterday, but being the best requires never-ending effort. Create a culture of continual process improvement to relentlessly pursue excellence. Your mantra, like that of your members, must be "what have you done for me lately?"

Discussion Points: Discuss each of the points above. Have managers explain why each is an important element in a disciplined operation.

Take Away: Successful hospitality operations require highly-disciplined managers.



#122

10 Disciplines that Will Transform Your Club – 2

These disciplines, when conscientiously and consistently applied, will revolutionize your operation.

6. **Disciplined Hiring and Screening for Success.** Turnover is prohibitively expensive in the people- and detail-intensive arena of club operations. The discipline of hiring well and getting the right people in the right seats will lower your employee turnover rate. Benchmark your turnover rate by department to continually analyze and improve performance in this critical area.
7. **Expectations, Work Planning and Performance Review with Measurable Accountabilities.** To keep organizational development and progress coordinated and on track, every department head must have a work plan with specific tasks, timelines, and accomplishments. These coupled with detailed departmental benchmarks will permit performance reviews to be based on measurable accountabilities instead of gut feel. When the entire management team is held individually accountable, performance naturally improves.
8. **On the Go Training.** Training is a necessity in an industry immersed in detail. There is much for employees to know and master, but with tight budgets and a pressing schedule of operations it is often neglected. One way to overcome this is to format essential training in small on-the-go sessions that can be taught in spare moments or pre-shift meetings. When material is prepared this way, it becomes a matter of daily discipline to pull out and review essential material.
9. **Member Relationship Management.** Members are the lifeblood of your club. How you and your staff interact with them is more important than anything else you do. Your relationship with your members cannot be left to chance. It must be managed as carefully as your budget and requires a formal plan and thorough training of employees.
10. **Employee Empowerment.** Empowered employees are viewed as full-fledged partners in your quest for high levels of quality and service. They are encouraged to think, act, and make decisions on their own based on guidelines you define, but they must fully sense the club's commitment to such empowerment. Simply saying that employees are empowered does not make it so.

Discussion Points: Discuss each of the points above. Have managers explain why each is an important element in a disciplined operation.

Take Away: Successful club operations require highly-disciplined managers.



#123

The Grand Theory

Albert Einstein, after his world-shaking General Theory of Relativity was published, validated, and accepted by the scientific community, spent the remainder of his life working on a Unified Field Theory that attempted to boil all physics down to one elemental formula, hopefully as elegantly simple as his earlier stroke of genius – $E=mc^2$. While he never achieved his Grand Theory, I fully understand his desire to distill complexity to simplicity.

On a far humbler scale, I have also been impelled to boil down the seeming complexities of club operations into a smaller number of principles that when followed would lead to organizational success. What I've come to believe is that there are five basic requirements for any successful organization. They are:

1. **Leadership** – the skills that permit those who direct an enterprise to win the enthusiastic support and efforts of their followers to the accomplishment of specific goals and tasks.
2. **Culture** – the well-defined and consistently reinforced values that underpin the efforts of the enterprise.
3. **Organization** – the ability to structure and integrate the complex and interrelated programs and processes of the enterprise to promote efficient operations.
4. **Management Disciplines** – the ability to consistently implement generally-accepted requirements and best practices at all levels of the organization.
5. **Hiring Well and Training Thoroughly** – the programs and disciplines that cultivate the attraction and retention of the best talent, as well as consistent, efficient, and professional completion of all tasks and engagements with members.

Having outlined these requirements, I would go on to say that they are all supported by one key factor and that is **DISCIPLINE**.

While complex business enterprises require both broad and specific skill sets for success, these mean little if each individual and the club team as a whole don't have the intense and overriding discipline to focus daily on the essential tasks at hand and complete them as efficiently as possible.

Complex enterprises may be based on sound management ideas and theory, but without, as Jim Collins says, “**disciplined people who engage in disciplined thought and then take disciplined action,**” they will never build enduring greatness. In other words, despite whatever talents your management team may possess, without discipline you're just muddling through.

Take Away: In real estate it's all about location, location, location. In club management it's all about discipline, discipline, discipline. Experience shows that discipline can be taught by setting challenging requirements, and then holding everyone strictly accountable for results. They will either become disciplined or will move on by their own choice or yours.



#124

Mastering the ABCs

As children we all mastered our ABCs, the basic building blocks of language and learning. The term “ABCs” has long since come to signify the basics of any endeavor.

All of us who work in our industry recognize that the profession is made up of mastering the many basics of hospitality and service. Even in an enterprise as seemingly complex as food service, it is the execution of the basics that underpin all our efforts and ultimately leads to success.

Of all the things I’ve learned in my hospitality career spanning over 35 years, the ultimate discipline of success is the necessity of executing the basics well.

While there are many innovative, cutting-edge ideas to improve the products, service, and performance of your operation, you must build these enhancements onto a foundation of the basics.

With these thoughts in mind, I’d like to commend to you the most basic, yet ultimate discipline – that as you contemplate the many ways to add service and value to your club, you must always focus your attention and that of your entire staff on the ABCs, that is . . .

Accomplish the Basics Consistently

Discussion Points: Club management is not rocket science, but there is much that needs to be done right every day and every time. Have your managers list some of the basics that must be done right in their departments and how they ensure these basics are done consistently by employees.

Take Away: In the detail-intensive world of club management you and your employees must be disciplined enough to consistently accomplish the many basics of the operation every day.



#125

Additional Resources

To further assist you in your quest for quality and service we offer additional resources available on the Hospitality Resources International website:

[Service on the Go](#) – The 57 topics in the Service on the Go book cover such topics as The Foundation of Service, Principles of Service, Attitude, Basic Service Issues, Teamwork, Club Etiquette, Common Courtesies, Appropriate and Inappropriate Language and Phrases, Body Language and Tone of Voice, The Challenges of Food Service, The Pre-Shift Meeting, Suggestive Selling, Engaging Members, Dining Service Tips, Service Recovery, Wow Factors, and more.

[Organizational Values on the Go](#) – A proven training tool to constantly and consistently remind your management team of the club's underlying values. These 58 values topics can be used for discussions at staff meetings, as reading for managers, or to explain the club's values to newly hired managers and supervisors. Includes topics on Mission, Vision, Guiding Principles, and Operating Standards.

[Food Service Management on the Go](#) – Another On the Go Training tool containing 138 best practice topics to remind and reinforce the necessary disciplines in running a high-quality and high-performing food service operation. In addition to well-known practices, this collection contains a number of innovative ideas to improve and transform the most challenging part of your club operation.

[General Food and Beverage Knowledge Training Manual](#) – A 44-page training manual that familiarizes servers with basic and common food and beverage terms. This knowledge will make your servers more confident in dealing with members and guests. Perfect for self-study or group led instruction. Formatted in MS-Word to allow easy customization.

[Food and Beverage Training on the Go](#) – 75 topics covering F&B knowledge, information, and skills. Perfect for brief training sessions during pre-shift meetings.

[Alcoholic Beverages on the Go](#) – 136 training topics covering beer, wine, and spirits to help train your servers to suggest.

[The Power of Employee Empowerment](#) – This 27-page guidebook explains the concept of employee empowerment and what it takes to achieve it. A great training tool for managers at all levels and a perfect complement to Service-Based Leadership training.

About the Author

Ed Rehkopf is a graduate of the U.S. Military Academy and received a Master of Professional Studies degree in Hospitality Management from Cornell's School of Hotel Administration. During his long and varied career, he has managed two historic, university-owned hotels, managed at a four-star desert resort, directed operations for a regional hotel chain, opened two golf and country clubs, worked in golf course development, and launched a portal web site for the club industry.