



Private Club Performance Management



Professional Development Readings in Leadership & Management 3

Ed Rehkopf

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“The soft stuff is always harder than the hard stuff.”

Roger Enrico, Chairman, PepsiCo

“What are we really talking about when we speak of ‘the soft stuff’? In short, it’s the people skills – those aptitudes and abilities used to get the best out of our human assets. It encompasses all those things we talk about when discussing leadership – the relations with multiple constituencies and the highly nuanced interactions with a diverse workforce that result in motivation, morale, enthusiasm, focus, commitment, productivity, teamwork, organizational cohesiveness, and group success.”

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Onboarding Managers – An Often-Overlooked Best Practice

A long-recognized best practice is to develop an onboarding plan for your operation's new hires. The purpose of such a plan is to ensure that new employees are welcomed to the enterprise, receive the appropriate orientation and introductions, and are indoctrinated into the organizational culture, as well as receiving a basic review of enterprise information, employee benefits, operating policies, and work rules. When the onboarding process is formalized and consistent, all employees have an appreciation for the story of the organization, an awareness of their job requirements, and a common understanding of expectations for their conduct and performance.

While there is no denying the benefits of a thorough onboarding process for line employees, it is even more critical that the enterprise put a similar effort into onboarding newly hired managers and supervisors. Regardless of education, work history, and experience, these individuals act as agents of the enterprise 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.

My optimum onboarding process for managers and supervisors includes the following:

- The same onboarding process as line employees receive so that they hear and understand what line employees are told.
- A copy of the [Employee Handbook](#) provided for the same reason.
- A thorough indoctrination in organizational values, presented by the general manager for maximum impact and effect.
- Leadership guidance from the general manager to ensure that all managers have a common understanding of service-based leadership and their critical role in communicating with and motivating 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 operation's strategic and annual plans so they understand its direction and trajectory.
- In concert with immediate supervisor, the development of an individual work plan with first year reviews at 30, 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 controller, respectively.
- Introductions to key management staff.
- For managers of private club, presentation to board and key committee members.
- A first-year reading list of management and leadership books to include 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*. To be most effective, 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 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 will set 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 enterprise goals.

While this level of effort to onboard management staff seems like a lot of work for something that may only happen a couple of times a year with normal turnover, the potential repercussions of not providing consistent information and expectations to new managers and supervisors and continuing to reinforce it on a regular basis can have a significant and long-term impact on the quality of the operation.

While there are many important and valuable HR best practices, I don't believe there is any as important as establishing the basis for how your organization runs with those who must lead employees. The time and effort put into individually developing your management staff and forging them into a team with a common understanding of purpose and means is the single most critical driver of an enterprise's success, yet how often is it overlooked in the ongoing press of daily operations?

The Impact of Poorly Trained Managers

Poorly trained managers and supervisors can do far greater damage to your operation than line employees by failing in any of the areas below:

- Managers and supervisors direct your front-line employees. If they don't have a complete understanding of their duties and your expectations, your service message and vision for the club will not be passed consistently to employees.
- A management team with different leadership styles ranging from service-based, to military, to athletic, to collegial, to Neanderthal, will not interact with employees consistently or fairly – and consistency and fairness are touchstone issues in meeting the requirements of equal opportunity, discrimination, morale, and motivation. Ideally, an organization would have one management and leadership style, endorsed by the board, and supported and modeled by the general manager and practiced uniformly by all managers and supervisors. Anything less invites inconsistency and trouble.



- A club's organizational values and culture require constant reinforcement to all employees and must be consistently emphasized in word and deed by management. Without appropriate manager training and development, the example and message will be inconsistent and conflicted.
- Managers and supervisors are your people with the answers. In addition to their job specific knowledge and skills, they must have a thorough understanding of all the club's rules, regulations, work policies, member policies, administrative and accounting systems, and procedures. Without training they cannot have a firm grasp of these complex and interrelated matters. Stop for a second and consider the problems that can be caused by two different managers giving inconsistent direction or answers to employees or members.
- Managers and supervisors act as agents of the club. If they do not have an in-depth understanding of all the laws and governmental regulations affecting your club, it may be open to liability issues and litigation. Examples include: the Fair Labor Standards Act, the Occupational Safety and Health Act, Alcohol Law Enforcement regulations, Equal Opportunity issues, Sexual Harassment, Food Sanitation, the Americans with Disabilities Act, the Family Medical Leave Act, and others. While you may have experts in each of these matters on staff, their knowledge must be shared with other managers to avoid what could become significant problems for the club.
- Some think that ethics training for managers isn't necessary, but experience shows this to be an unrealistic assumption.
- To expect different managers with different backgrounds and experiences from a variety of operational disciplines – golf, golf course maintenance, accounting, personnel, facility maintenance, food and beverage, membership, activities, tennis, and aquatics – will have a common understanding and application of leadership is unrealistic.

Without strong, stable, and consistent leadership and direction at all levels of the organization, your club is a collection of tribes, often at odds or in conflict – and this is no way to run a high-performing private club.

Yes, Your Employees Need Training, But ...

What your managers and supervisors really need is ongoing education and development! And not just book learning, but thoughtful practical experience and guided professional learning, as well as knowledgeable coaching and mentoring by those with broader proficiency.

The requirements of leadership and sound decision making require nuanced thought and a deep understanding of the complex and interrelated consequences of judgments and choices. Regardless of background, experience, and education, managers at every level need continuing development of their knowledge base and skill level.

The general manager, as the club's senior executive, has the near-sacred responsibility to advance the development of all his or her subordinate managers. Not only does the function serve the individual needs of subordinate managers, but as John Maxwell, noted author on leadership, has said, *"The single biggest way to impact an organization is to focus on leadership development. There is almost no limit to the potential of an organization that recruits good people, raises them up as leaders and continually develops them."*



Longstanding consumer advocate Ralph Nader also addressed the importance of this function when he said, *"I start with the premise that the function of leadership is to produce more leaders, not more followers."*

While my guess is that many GMs recognize this responsibility, few can follow through due to other pressing issues and time constraints. In many cases, the need is for a structured program as a guide to ongoing professional and leadership development for junior managers.

Fortunately, Private Club Performance Management has created a number of such guides. These that can be used in short, easy-to-absorb sessions to focus the club's management team on the fundamentals of the profession. When used in conjunction with well-thought-out strategy and plans, they become powerful conveyances on the road to operational excellence. Here's a list and brief explanation of each:

[Leadership on the Go](#) – 53 coaching topics for the most fundamental and critical foundation of success; the perfect tool for coaching a consistent, service-based style of leadership.

[Organizational Values on the Go](#) – A means to constantly and consistently remind your management team of the operation's underlying values. Includes topics on Mission, Vision, Guiding Principles, and Operating Standards.

[Service on the Go](#) – The 54 topics in this book cover such topics as The Foundation of Service, Principles of Service, Attitude, Teamwork, Etiquette, Common Courtesies, Body Language and Tone of Voice, The Pre-Shift Meeting, Suggestive Selling, Engaging Members, Dining Service Tips, Service Recovery, Wow Factors, and more. Taken together they form an incredibly effective tool for coaching new employees and reminding veteran employees on the basics of service and service delivery.

[Management Disciplines on the Go](#) – 130 topics to coach your management team on the essential disciplines of hospitality success.

[Employee Development and Discipline on the Go](#) – This 65-topic, wire-bound book is directed at the necessary disciplines to find, hire, develop, and retain the best talent for your operation. Includes detailed principles and procedures for counseling, disciplining, and discharging problem employees.

[Food Service Management on the Go](#) – 136 best practice topics to remind and reinforce the necessary disciplines for running a high-quality and high-performing food service operation.

[Accounting on the Go](#) – A great teaching and coaching tool for managers and supervisors with bottom line responsibility. Use these 46 short topics to remind your managers of their important financial responsibilities, as well as to help standardize the accounting functions of your operation.

[Human Resources in the Go](#) – 84 Human Resources coaching topics covering employment laws, hiring, onboarding, employee development, training, performance reviews, and necessary HR policies. These topics are designed to assist your management team in meeting all regulatory requirements and HR best practices.

Clubs that engage in a formal program of coaching experience significant benefits, ranging from improved morale and engagement from people who recognize their employer's commitment to



their development, to enhanced performance resulting from a focus on the fundamentals of the business, and to pride in belonging to a high-performing operation.

Lastly, there is no greater satisfaction than that of the coaches who share their knowledge and experience in a meaningful way with those following in their footsteps.

Training Strategies: Planning and Preparation

I maintain that a lack of training is the Achilles heel of club operations. Without formal and consistent training, a great number of clubs suffer from high employee turnover, member complaints about poor service, lack of organization, and generally inefficient operations – all of which have a negative impact on member satisfaction, recruitment and retention, and ultimately the bottom line.

Here are some of the strategies to design and field a more robust, formal training program for both line employees and management:

- **Start with a plan.** As with any major project, there must be a plan. Things to consider when planning include goals, program requirements, training principles; priorities, budget, timelines and milestones; curricula by position; equipment and supplies, resources and materials; benchmarking, administration and documentation; plan and implementation review; and designated responsibilities.

Tip: Start small and grow. You don't have to do everything at once. Pick key member-facing positions with the greatest number of employees to get your biggest bang for the buck. But don't neglect the importance of manager/supervisor training. In the long run a well-trained, knowledgeable, consistent, and disciplined management team will be far more valuable to your success than anything else.

- **Appoint a training manager to shepherd the project.** Assign this responsibility to an existing department head. This individual will draft and present the plan, oversee its implementation, and report directly to the general manager on plan progress and developments.

Tip: The training initiative should have the absolute and enthusiastic support, backing, and "will make it happen" of the general manager or it won't go anywhere.

- **Charge each department head with the task of developing a curriculum outline for each position in his or her department.** These are the topics that employees in any given position must be familiar with. Much of this information should be written, but some must be communicated or taught by other means, such as demonstrations, You Tube videos, etc. In addition to the "what" (curriculum topics by position), the outline should also include "who" must learn the material, "when" it must be learned, and "how often" it must be taught for material that requires ongoing refresher training, such as sexual harassment, safety training, sanitation, and others.

Tip: For service skills positions, the standard four-step training process of "Tell-Show-Do-Review" can be improved upon by Jim Sullivan's 7-step process:

1. Say What: explain what will be covered,
2. Say Why: explain why the information is important,
3. Show How: demonstrate the correct way,



4. Detail Variables: since service is situational, discuss acceptable variations,
 5. Guided Practice: rehearse skills together,
 6. Spaced Repetition: repeat the skills training over time until each employee “gets it,” and
 7. Teach Back: have employees teach back lesson as an instructor.
- Charge the training manager with developing club-wide training topics. Usually this would be done by the training manager in cooperation with the HR manager, safety manager, controller, and other subject matter experts. Club-wide topics include an overview of club amenities, facilities, and operation; member rules; employee rules and work-related policies; organizational culture; club operating systems; legal and liability issues; and leadership development.

Important point: Keep in mind that while much of the information employees and managers must know is similar; there is often a different thrust to the material. For example, line employees must know what to do if they feel they are being sexually harassed, while managers must understand the nuances of what constitutes sexual harassment, how to avoid it, and what to do if reported to them.

Tip: Many of these topics have been covered in materials found on the PCPM Marketplace store, for example: *Organizational Values, Readings in Leadership and Management, Leadership on the Line, Managers' Handbook, Employee Handbook, Club Safety Plan*, and *Training-on-the-Go* (such as *F&B Training-on-the-Go, Safety-on-the-Go, HR-on-the-Go, Values-on-the-Go*), and *Daily Huddle* topics.

- 5. New hire training starts with basic information such as job descriptions, performance expectations, club orientation and departmental orientations (these last two are different, though covering some of the same topics for reinforcement), employee handbook, and managers' handbook. Any plan to provide a more formal approach to training must include a review of, or if not already in place, the development of such documents to ensure they cover all pertinent topics and are fully integrated, that is, they are consistent and reinforcing.

Other Tips:

- Experience has shown that critical information provided in small doses over time (hence the training-on-the-go material) is the best way to provide ongoing training at the lowest cost. Instead of specially scheduled, on-the-clock training sessions, some sort of pre-shift meeting for every department and shift is an excellent way to do this. The key here is to have a pre-developed, organized system of material, so that managers can take advantage of such meetings without having to jump through hoops to find and develop topics. Keep in mind that once such material is developed, it is available for future use with little or no effort.
- Because of the one-time intensity of developing or gathering training material, this project should be done during the club's “off season.” But to maximize the effectiveness of this limited time, the initial planning and timelines should be completed prior to the slow season to ensure that everyone “hits the ground running” when things slow down.
- Training resources can be found anywhere. The advent of the Internet and search engines makes it relatively easy and convenient to find training material for almost any topic or



position. Some will be free, and some will cost, but once department heads determine topics, they should begin searching for relevant material.

- Presenting the material in a professional manner is key! Do not hand your employees a 3-ringed binder filled with odd sheets of copied information. Efforts must be made to eliminate contradictory terminology and information written by different authors. Spend the time and effort to present it professionally – each topic should be presented in a common format with appropriate context, segue, and without extraneous information. You wouldn't present such a jumble of information to your members, and you shouldn't do it to your employees who you depend upon for your success.
- As an aside: the beauty of the Internet material is that it can be copied, pasted, and edited in your own formatted documents. Also, when preparing training material, don't forget to develop quizzes. They can be used for comprehension testing or during informal teaching Q&As by supervisors.
- Developing and fielding training information is an ongoing process. Review material over time, adding to it and improving it as you go. Ask employees to give you feedback on the adequacy and effectiveness of the material – ultimately, they are the best judges of what's useful and what's not.

Developing a comprehensive training plan and program is probably one of the most challenging things your club will do, but the time, cost, and effort is well worthwhile. Over the long haul, the effort you put into developing the professionalism of your staff and improving the quality of service at your club will have far reaching positive effects on member satisfaction and your bottom line.

Training Strategies: Tools and Implementation

The following is a summary of the many tools that can be used as part of a comprehensive club training program:

Onboarding. Training tools for onboarding new employees – both management and employees:

- Employee Handbook
- Managers Handbook
- Club Orientation
- Departmental Orientations
- Discussion of job descriptions and performance review criteria

Managers' Initial Training. After onboarding, you can use the following tools for managers' initial training:

- Leadership training – *Leadership on the Line* and *The Workbook*
- Organizational Values and Culture of Service Training; Values Pocket Card
- Legal and Liability Issues Training



- Organizational Systems Training – [Personnel Standards, Policies, and Procedures](#); [Accounting Standards, Policies and Procedures](#)
- Departmental Standards, Policies, and Procedures for their individual operating department
- [Basic Accounting and Financial Management for Managers](#)
- [What I Expect from My Club Management Team](#)
- [Club Benchmarking Resources](#)
- [Club Safety Plan](#)
- [Internal Control for Private Clubs](#)

Managers' Ongoing Training. The following tools serve for ongoing reminders and refresher training:

- [Leadership on the Go](#)
- [Management Disciplines on the Go](#)
- [Food Service Management on the Go](#)
- [Human Resources on the Go](#)
- [Accounting on the Go](#)
- [Service on the Go](#)
- [Employee Development and Disciplinary Guides on the Go](#)
- [Organizational Values on the Go](#)
- Safety Training
- You Tube videos, as necessary. These should be reviewed at the highest level (general manager and HR manager or other subject matter experts) to ensure they meet training quality needs and then added to the club's professional development library.

Employees Initial and Ongoing Training will consist of:

- Organizational Values and Culture of Service Training; Values Pocket Card
- Departmental organization and systems training
- Duties and expectations
- Service techniques training
- Training manual for individual positions
- On the Go Training (Service, Values, Safety, F&B, Alcoholic Beverages)
- Ongoing Daily Huddles
- Departmental safety and security training
- Department-specific You Tube videos



To ensure all the necessary training is given, the general manager will require all department heads to:

- Establish a departmental training plan and schedule,
- Benchmark and report their training on a monthly basis,
- Make training development and execution part of each department head's performance review, and
- Make continual process improvement of training part of their annual departmental plan.

The end result of a formal approach to training should be to make training in all areas of the operation part of the daily operational habit, as routine as punching in and out for work, wearing the proper uniform, ordering supplies, conducting inventories, and cleaning the facilities. When this level of habit is achieved, great benefits are realized by the club – from improved organization and efficiency to greater member satisfaction and club utilization, and finally, a vastly improved bottom line.

Could It Be Any Easier?

Well, yes it certainly could!

It's club management of which I speak – and we all know it's a challenging and often difficult profession with a complex set of realities to negotiate on a day in, day out basis.

In the interest of preserving your personal life and sanity, it's important to search out and implement plans and programs to make your job easier and more fulfilling while at the same time providing your various constituencies – the Board, the club's membership, management team, and employees – with the implied promise you made when accepting the position of general manager.

So, what was that promise? Meeting the highest expectations of all constituencies.

- For the Board – doing all you're capable of to meet and exceed their agenda to make their club great while making them look good.
- For the membership – getting to know them well enough to understand and exceed their collective expectations for quality, service, programming, and enjoyment of their club.
- For your management team – providing them with the leadership, direction, and coaching to enhance their sense of purpose, professional skill set, and personal satisfaction from participating in a well-managed and high performing operation.
- For the club's employees – providing them with more than just a paycheck by engaging them as partners in your quest for remarkable quality and service.

When viewed in this light, the undertaking of managing a private club is a tall order regardless of the club's state of affairs and made all the more challenging by the standalone nature of most clubs.

Some might argue that they made no such promise to the club's stakeholders, yet that's exactly what one does in presenting themselves as a club management professional who has the wide-



ranging talents and skills to operate a private club no matter the extent of amenities and membership price point.

To repeat myself – could it be any easier? The simple answer is yes, it could, but only when you operate your club as a franchise – a well-organized and efficient enterprise where everyone knows what's expected of them and effortlessly executes the daily routines.

In speaking of franchises, Michael E. Gerber, author of the bestselling *E-Myth Revisited*, says, *"Without a franchise no business can hope to succeed. If, by a franchise, you understand that I'm talking about a proprietary way of doing business that differentiates your business from everyone else's. In short, the definition of a franchise is simply your unique way of doing business."*

The obvious implication for clubs is that to be successful you must define your expectations, standards, policies, procedures, and work processes and organize your club as if it were a franchise – one where how it interacts with its members and how quality and service is delivered sets it apart from all others.

While the effort to establish such a "franchised" operation is not insignificant, the major benefit of such an approach is that much of the day-to-day functioning of the club takes place routinely, allowing management to focus on strategic issues, guiding the deliberations and direction of the Board, and providing extraordinary levels of personalized service and programming to the membership. To summarize:

- When the basics of an operation are routine, everyone's focus becomes the extraordinary in all areas of the operation – in quality, service, and programming.
- When you're able to combine consistently excellent quality and service with extraordinary and compelling programs, activities, and events, you will maximize your member's enjoyment and use of their club; and this ongoing support will ensure the club's viability and future.

But this cannot and will not happen so long as the entire staff from general manager to line employees is enmeshed in the "make-it-up-as-you-go" turbulence of daily operations. Most, if not all, managers would have to admit there's nothing easy about this operational model – which unfortunately is the reality in far too many clubs. But until there is a commitment to organize and operate your club like a franchise, this will continue to be your reality.

No one would say that the effort to franchise your operation is simple or easy to implement, but the effort itself yields so many benefits for all constituencies that it's an effort that must be made. And it will certainly bring both light and an improved level of ease at the end of the tunnel.

Detailing Your Club Operations

At root, our business is about details – the specifics of the products and services we provide and the way we provide them to meet the expectations of our members. Given that private clubs entail a variety of distinct businesses based on the amenities provided, the tally of daily details easily runs into the thousands across the full spectrum of club operations. And it's the way many employees consistently attend to and execute those details that create and sustain members' perceptions of the value of their club experience. So, while it's the big picture of



strategy that sets the course and trajectory of the operation, it's the daily attention to detail that creates the expected level of quality and service.

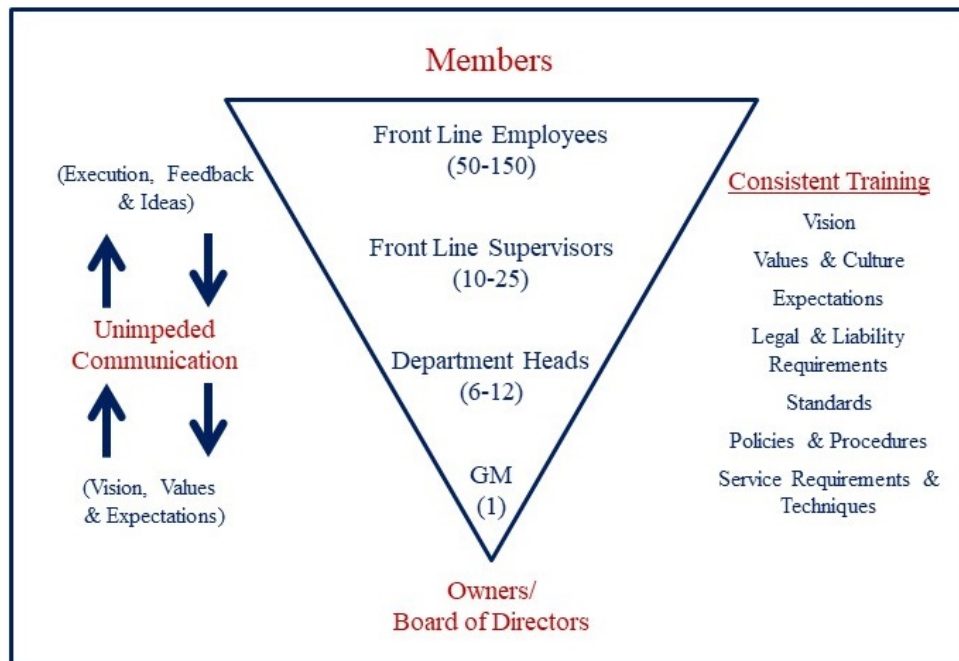
So, who is responsible for delivering that quality and service? Ultimately, it's the general manager, though for practicality's sake, the authority to do so is delegated through the club's department heads and managers to the employees who deliver the service. But delivering a consistent level of service and quality requires that a vast amount of knowledge, information, guidance, and ongoing training be provided to employees by perhaps 15 to 20 supervisors and managers. This can only happen if all employees are immersed in a well-defined and continually reinforced culture of service.

This is easily said, but far more difficult to create and sustain in the dynamic and fast-paced environment of club operations. Clearly the solution is to build as much of the details of service as possible into the structure and routine of the organization. Here are the necessities:

- **Understand the expectations of your members.** Without a basic understand of what they want and desire, you may miss the mark and all your efforts will be for naught.
- **Ensure consistent and unimpeded communication of organizational values and culture of service.** There is so much for service employees to know and understand that any impediments to the open flow of information will defeat your efforts from the get-go. Often the impediments are the result of detached, disengaged, aloof, or angry managers.



The Necessity of Unimpeded Communication and Consistency of Training in Club Operations



Quality and Service are both detail- and people-intensive requiring that all employees understand what they must do in all situations. Such complexity can only be mastered through unimpeded communication and consistent training. Unimpeded communication flows naturally from Service-Based Leaders, while written values, expectations, standards, policies, and procedures promote consistent training.

- **Identify, prioritize, and focus on the details of departmental touch points.** These are the logical starting point for all your efforts to improve quality and service. As these are mastered, continue to uncover, and address deeper levels of organizational detail.
- **Provide thorough and consistent training of all employees.** Understanding the touch points of your operation does little good if that understanding is not passed on consistently to each new employee and generations of employees.
- **Foster employee empowerment** to deal with the unscripted moments and challenges of service. Management can never foresee all the contingencies of service. Employees, with the full backing and support of their supervisors, must be encouraged within the parameters of their training to use individual initiative to overcome any service challenges.
- **Utilize organizational structure to institutionalize consistent service delivery.** What we do ain't easy! Help yourself and your employees by structuring the routine to happen routinely. This takes both the will and the organizational discipline to make it happen. When 80% of the details happen routinely, everyone can focus on the 20% that will wow your members.



- **Institute a robust process of continual improvement** to analyze and enhance service and service delivery, detail by detail, department by department. As we say in Continual Process Improvement, *“Given the many details associated with managing a quality club operation 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 operation 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 too trivial to warrant management’s attention and the establishment of standards and procedures to ensure it is attended to by the staff.”*

While many owners and managers will say their success is dependent on location, location, location, in the demanding world of the private clubs, it’s how we handle the details that determine our level of service and success.

Franchising Your Operation

The underlying theme of much that I have written about is the need to document all aspects of your operation. This is especially true of standalone enterprises with limited resources and no economies of scale. Without an effort to establish expectations, standards, and processes, you'll be forever reacting to daily crises and addressing issues and challenges on an ad hoc basis, which inevitably results in chaotic and inconsistent operations.

Compare this to the success of franchised operations which are built upon carefully crafted and well-documented processes for all aspects of the business. Michael E. Gerber, author of the bestselling *E-Myth Revisited*, goes so far as to say, *“Without a franchise no business can hope to succeed. If, by a franchise, you understand that I'm talking about a proprietary way of doing business that differentiates your business from everyone else's. In short, the definition of a franchise is simply your unique way of doing business.”*

The obvious implication for clubs is that to be successful you must define your expectations, standards, policies, procedures, and work processes and organize your club as if it were a franchise – one where how it interacts with its members and how service is delivered sets it apart from all others.

While the effort to establish such a “franchised operation” is significant, the major benefit of such an approach is that much of the day-to-day functioning of the enterprise takes place routinely, allowing the general manager to focus on strategic issues, managing the deliberations and direction of the board, and providing extraordinary levels of personalized service to the membership.

To assist club managers in their efforts to document their operations, Private Club Performance Management has created many operational resources which can be purchased at reasonable cost from the PCPM Marketplace Store.



Here's some of the feedback we have received from satisfied clubs:

"I cannot tell you how valuable I have found the [accounting] policies and procedures manual. I was wondering if the Personnel policies manual is also available?"

Deborah Brumitt, CPA, Controller, Hermitage Country Club

"Thank you very much - I appreciate the material as I am embarking on a new project of writing SOP's. We are readying our club for turn-over later this year and preparing SOP's that had never been written for my department."

Kristina Gelb, Director of Catering, Desert Mountain Properties

"As a new club manager, I was delighted to find the [Private Club Performance Management resources] on the web. I have been looking for a way to adapt and streamline existing club policies and procedures for quite some time now and [PCPM] helped us do just that. I love your product!!! It is simple to use and will eliminate hours of redundant work and endless editing."

Attila Harai, General Manager/COO, The Army and Navy Club

"As a new owner/manager in the club business I was starting to develop our operational systems. When I came across [the Private Club Performance Management] resources, I was amazed at the complete system that was put together and available on their website. After getting and implementing the entire program in our operation, it has become an invaluable resource by which we run our entire business."

Joe Godfrey, President, Foxland Harbor Club

How Much Time Does Your Club Waste Reinventing the Wheel?

Jim Muehlhausen has written an essential book for every small business entitled *the 51 Fatal Business Errors and How to Avoid Them**. It's a book that every club manager should read and act on in his or her own operation. In it he lists Fatal Error #43 as Reinventing the Wheel Daily. To quote from the book, *"Every day a CEO with no written operation plan walks through the door, she says to herself, 'Hey, I wonder how we should run the business today?' This process of reinventing the wheel will end up consuming all the valuable time of the organization and the CEO. In the name of flexibility and custom one-off solutions to problems, the CEO has doomed herself to a firefighting existence."*

The solution to the problem according to Muehlhausen is to have a written operations plan. While many club executives have heard of an operations plan, few clubs have them. As Muehlhausen says, *"If writing an operations plan is so powerful, why don't 100% of businesses have one? Well, writing an operations plan is a REAL pain. It requires hard work, sacrifice, and a deep understanding of your business."*

And it's coming to grips with a lack of understanding of your business and how it works in all its details that is the real value of writing an operations plan. This is especially true in clubs which operate a variety of specialized businesses requiring specific knowledge and expertise. Further, the intensive detail involved in delivering a quality service experience to members requires that the methods and processes of service and service delivery be spelled out in detail. W. Edwards Deming, the 20th Century's renowned advocate for quality, recognized the importance of



process when he said, *“If you can’t describe what you are doing as a process, you don’t know what you are doing.”*

As we described in *PCPM Organization Series, The Remarkable Service Infrastructure – An Overarching Plan for Club Excellence*, other authors have touched on the importance of the operations plan:

“Michael E. Gerber in his best-selling book *The E-Myth Revisited* [E for entrepreneur], describes the strength of franchised operations based to a great degree on the depth and quality of their written operations plans and says, *‘To the franchisor, the entire process by which the business does business is a marketing tool, a mechanism for finding and keeping customers. Each and every component of the business system is a means through which the franchisor can differentiate his business from all other businesses in the mind of his consumer. Where the business is the product, how the business interacts with the consumer is more important than what it sells.’*

When you truly understand this, you recognize that to be successful in the challenging world of club management, you must define your standards, policies, procedures, and work processes and organize your club as if it were a franchise – one where how it interacts with its members and how service is delivered sets it apart from all others.”

So, what exactly is an operations plan and how can you go about preparing one for your club?

While this author found several definitions in searching the Internet, they all revolved around the concept of documenting the way an enterprise conducts its business. To produce a more club-specific definition, I offer the following:

A club operations plan is the fully integrated and detailed description of the organizational structure, systems, and processes that enable the multiple operating departments of the club to deliver a seamless, consistent, and high-quality private club experience to its members.

The key words and phrases in this definition are:

- **Fully integrated** meaning consistent across all operating departments.
- **Detailed description** of all the club’s individual standards, policies, and procedures.
- **Organizational structure** describing the interrelationship among all functional areas of the operation.
- **Systems** meaning the integrated body of standards, policies, and procedures supporting each functional area or department.
- **Processes** are the individual standards, policies, and procedures to consistently accomplish required actions.

While I think Mr. Muehlhausen is spot on with his advocacy of the importance of an operations plan, I disagree with him (at least when it comes to club operations) when he says, *“There are no template programs to create an operations plan. The plan is custom to your business, so you cannot ‘borrow’ someone else’s and modify it. You have start from scratch.”*

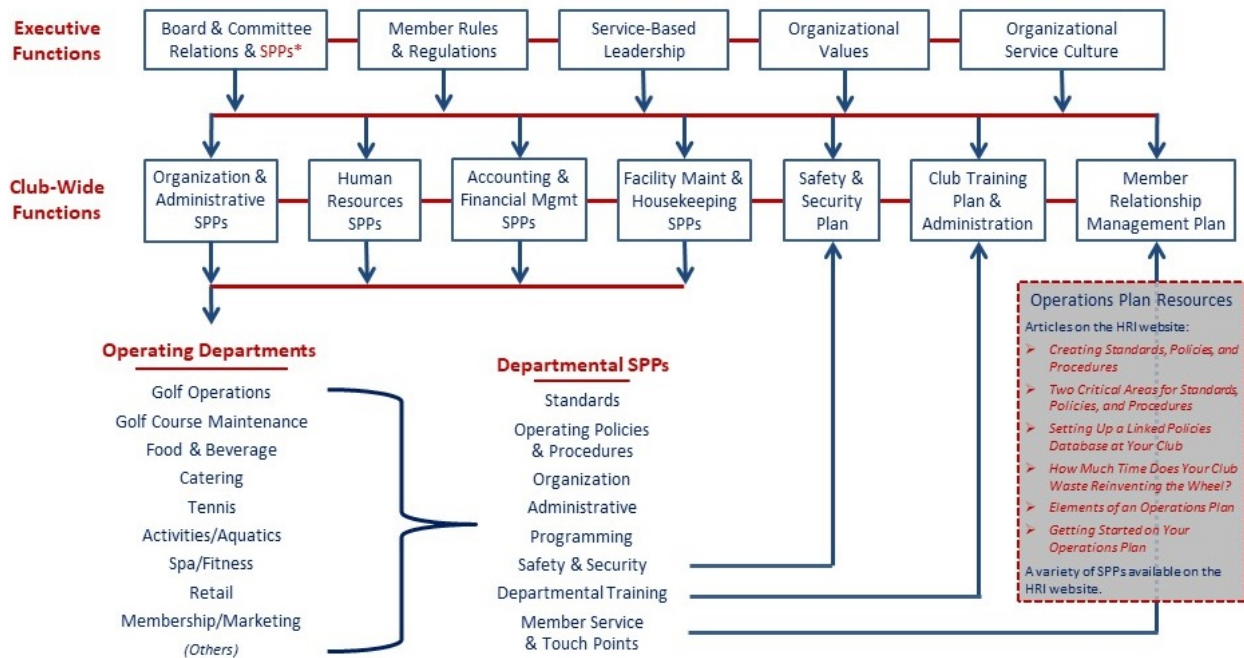


I say this because Private Club Performance Management has created many standards, policies, and procedures that can act as a template and be customized for individual operations. After all, what we as club managers do is similar from club to club and industry best practices are well-known and widely used. See the *Elements of a Club Operations Plan* infographic below for more information.

*The book is: *The 51 Fatal Business Errors and How to Avoid Them*, 2nd Ed., Jim Muehlhausen, Maximum Communications, Indianapolis, 2008.

Elements of a Club Operations Plan

A club operations plan is the fully integrated and detailed description of the organizational structure, systems, and processes that enable the multiple operating departments of the club to deliver a seamless, consistent, and high-quality private club experience to its members.



Preparing a club operations plan is the most important thing you can do to ensure consistency in your operations while establishing the specific training materials that will bring your club to a high state of quality and service. But an operations plan is no easy thing to create as you can see from the complexity and detail of the included materials in the diagram above. Yet this diagram can also serve as the roadmap to help you design your plan, particularly when you realize that you don't have to develop everything at once and the basic building blocks of an operations plan are the individual *Standards, Policies, and Procedures (SPPs).

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See [PCPM, Insights and Ideas, The Club Operation Plan – A Legacy Contribution for Club Excellence](#) for more information.



Structure for “the Groove” and Avoid “the Rut”

Every new general manager has tackled the challenges of their position with vision, vigor, and enthusiasm to address the expressed concerns of the Board and the perceived needs of members. It’s something we’ve all experienced – analyzing the operation, discovering the problems, formulating a plan of action, winning the support of employees for the new agenda, and executing to completion.

While there are few things as satisfying as overcoming obstacles to improve a club operation, the larger challenge that never goes away is how to keep the spirit of renewal alive over time. This is so because it seems that despite whatever progress is made, things still fall apart, old habits die hard and new initiatives, no matter how exciting, grow stale and uninspiring in short order. It is just too easy for your “in-the-groove” operation to backslide into that same ol’, same ol’ rut.

So, what is the conscientious manager to do to break through the seemingly endless cycle of groove and rut? The simple answer is to instill a strong sense of constant renewal in the club’s culture. While this is easily said, the reality of making it happen is far more complex and challenging, requiring a significant degree of organizational structure and focus. Here are some things to consider:

- Make ongoing renewal a priority in departmental expectations and departmental plans, ensuring that department heads spell out goals and specific steps to keep each operation’s events and activities fresh and compelling. **Tools:** Annual club planning, individual work plans, measurable accountabilities, and accountability for performance.
- Focus on the fundamentals of service and service delivery with ongoing reminders to managers and employees alike. As Mac Anderson says, “*The three keys to inspiring . . . service – Reinforce, Reinforce, Reinforce.*” **Tools:** [On the Go Training](#) and [Notable Quotables](#), found on the PCPM Marketplace store, and Daily Huddles.
- In each department encourage employee feedback on what works and what doesn’t. As prominent technology and entrepreneur blogger Bill Robinson says, “*To be able to regularly solicit, capture and execute upon the strong ideas of those on the front lines who really know what the customers want will be the panacea for the 21st century business world.*” Act on the information your employees bring you to continually improve all aspects of the operation – organization, planning, execution, training, service, and service delivery. **Tools:** Continual Process Improvement, see [PCPM, Insights and Ideas, Continual Process Improvement – An Essential Discipline of Successful Clubs](#).
- Using the principles of Service-Based Leadership, work continually toward the power of employee empowerment. An entire staff that understands what must be done, how to do it, and acts without fear of making mistakes and repercussions will bring far more to bear on success and renewal than the efforts of a handful of managers and supervisors. **Tools:** [Leadership on the Line](#), [The Power of Employee Empowerment](#) available on the PCPM Marketplace store.
- Use every opportunity of interaction with employees to reinforce organizational values and the culture of service. Whether it’s pre-shift meetings, the habit of daily huddles, or casual conversations and direction throughout the workday, managers must constantly “spread the



gospel” by word AND deed. While the message is important, there is no substitute for example – not only in how leaders interact with members, but more importantly how they interact with their employees. There is no substitute for the example of leadership. “A leader leads by example, whether he intends to or not.” **Tools:** The Bully Pulpit, Daily Huddles, Notable Quotables, Service-Based Leadership

- Seek the feedback of your members. Ultimately, it's their perception of your operation that guarantees success. Feedback comes in many forms – formal surveys, departmental comment cards, personal interactions, AND benchmarking member spending habits within each department. All of these will clearly point to any boredom or dissatisfaction with your operation. **Tools:** Surveys, scored and benchmarked comment cards, daily interactions, monitoring and analyzing spending habits.
- Take time for analysis, exploration, and reflection. Most managers stay busy all the time. Many simply react to daily and weekly crises. Some only give infrequent and passing thought to the strategic direction of their operations as if everything runs well enough on autopilot. Without blocks of time set aside on a regular basis to consider their operations and the ongoing or dominant issues that impact their business; to analyze the ebb and flow of their business; to read, research, and reflect on operational ideas and best practices; and to work continually to improve all aspects of what they do, the club will reflect in systemic ways their disinterest and neglect. Ongoing reflection, analysis, and engagement are essential. **Tools:** Benchmarking and review; structured set-aside time; professional reading lists; ongoing review of trade journals and other publications; adequate time off property for perspective; relationships developed with other managers to discuss, compare, and brainstorm issues and solutions.
- Make wow factors a significant part of your team's effort. It stimulates the creative juices, breaks the tedium of habit, and can be fun for your staff while thrilling to your customers. **Tools:** Wow Factors – see [PCPM, Insights and Ideas, Wow Factors – What Have You Done for Me Lately?](#)
- Make time for constant renewal – Arrange and organize your operation to handle the fundamentals routinely. The less effort you and your staff must spend to execute the basics, the more time and focus you'll have to conceive and execute the extraordinary. Follow the Pareto Principle to organize your operation so that 80% (the fundamentals) happens routinely, allowing you and your staff to focus on the critical 20% of customer service and satisfaction. **Tools:** read [PCPM, Insights and Ideas, Remarkable Service Infrastructure – An Overarching Plan for Club Excellence.](#)

Get your operation “in the groove” with organization and structure. Then focus on ongoing renewal with continual process improvement and wow factors to avoid being “in the rut” of stale, uninspired programming, service, and service delivery.

Good to Great: Freedom and Responsibility within a Framework

Throughout my career I have struggled to balance the competing needs for entrepreneurial thinking, innovation, and initiative and the necessities of organization, structure, consistency, and control. How does one create and sustain a nimble organization that can quickly respond to new technologies, changing member wants and desires, and the competition of the



marketplace while maintaining an efficient operation and conscientiously meeting regulatory requirements?

No thinking businessperson wants to saddle their operation with a bureaucratic mindset, yet efficient operations need systems to function properly and avoid risk, liability, and regulatory problems. The very word “bureaucracy” carries the negative connotation of inefficiency and stultifying processes, where crossing the t’s and dotting the i’s become an organization’s reason for being.

In examining this never-ending challenge for businesses, Jim Collins and his research team at Stanford University found that the good to great companies they examined gave people the freedom to do whatever was necessary to succeed within a highly developed system or framework. Then their people were held strictly accountable for their results.

The analogy that he gave was a commercial airline pilot who works within rigid air traffic control and safety systems on the ground and in the air, but who has the ultimate responsibility for success – that is, the safe delivery of plane and passengers from location to location. That singular responsibility allows a pilot, at his or her discretion, to remove unruly passengers, abort landings, fly to alternate airports, and take any other action deemed necessary for the safety of the flight.

But essential to bestowing such freedom and responsibility is the necessity of defining the system and clearly identifying constraints. In the airline industry the Federal Aviation Administration establishes all standards, policies, and procedures for both commercial and private pilots and ensures their ongoing understanding of the system through licensure, certifications, simulator and cockpit training, as well as continual flight and safety bulletins. To quote from the book, *“The good to great companies build a consistent system with clear constraints, but they also gave people the freedom and responsibility within the framework of that system. They hired self-disciplined people who didn’t need to be managed, and then managed the system, not the people.”*

As a club manager at any level of the organization, you cannot do it all yourself. Holding the reins tightly creates a bottleneck where all decisions must come through you, thereby stifling the initiative and creativity of your subordinates. It also puts a tremendous burden on you to perform, requires you to be on property at all hours, and leads to burnout.

The only way to be truly successful in any complex enterprise is to empower those under you and give them the freedom and responsibility to succeed in their portion of the operation. But to do this successfully you need to fully develop the framework for their empowerment and a means to hold them accountable. This means you must have well-defined organizational values and written standards, policies, and procedures. Lastly, you need measurable accountabilities for performance.

With these in place you have started on the path to greatness in your enterprise, but it’s only the start – Collins offers much more proven guidance for those willing to invest the time in this well-researched and written, as well as entertaining, book.

*The book is *Good to Great – Why Some Companies Make the Leap . . . and Others Don’t*, Harper Business, New York, NY, 2001.