Private Club Performance Management

Professional Development

Readings in Leadership & Management 4

Ed Rehkopf

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The Hierarchy of Service

In my book, *Leadership on the Line: A Guide for Front Line Supervisors, Business Owners, and Emerging Leaders*, I stress that leaders must serve the needs of their constituencies, but not all constituent needs have equal weight or importance.

Representing the membership is the board – the smallest constituent group in numbers, but their needs are paramount. Why? Because they represent the members whose capital that has been invested in the club and their need to protect all members' investment in the club and its reputation in the community. If not profitable and self-supporting, if the club cannot gain credit based on the potential for future profitability, if it cannot meet its cash needs for payroll or to pay vendors, it will go out of business and the needs of all other constituencies will become irrelevant.

Obviously, protecting the members' investment is important. Why would any person want to belong to a failing club, where their invested capital is being diminished by a poor reputation and a shrinking membership? While there may be other reasons for continuing to belong to a club – such as family tradition, loyalty to friends; a sense of obligation to community; even the hope of improved future performance – over the long-haul members will not be willing to risk their reputation and capital in a poor-performing club.

The basis for the traditional hierarchical organizational model is the military concept of "chain of command." In this model, management is represented as the sequence of authority in executing the will of the board – and certainly management plays that essential role. But in addition to not representing the importance of the club's members, it also places the employees at the bottom of the chain – thereby visually relegating them to the position of least consequence.

Next in order of importance are the needs of the members. Without a robust membership patronizing the club, it will not be profitable or viable. If not viable, it will not last long – and all constituencies lose.
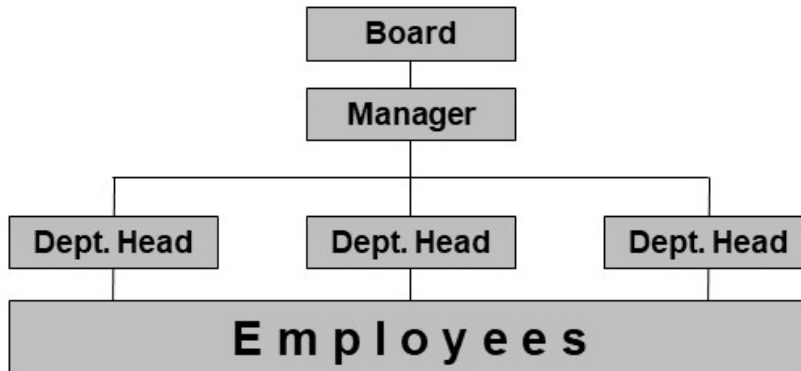
Traditional Top-Down Organizational Chart

It properly emphasizes the place of the Board,
but where are the members?

Ultimately, like customers everywhere, members are attracted by price and the quality of products and services. Taken together, quality and price create a sense of value – the value perceived by members. If enough members perceive value, they will frequent the club to spend their money and make it successful. If not, the club will ultimately fail.

Service-Based Organizational Model

Here the importance of satisfying members is depicted, as is the important role of employees. The club's leaders are placed at the bottom, clearly emphasizing their foundational role in serving the needs of all constituencies.

This statement brings us to our third constituency – the employees. They are the ones who execute the board and members' vision for quality of product and service. They are the ones whose daily interaction with members creates the value they seek. Properly led, valued, and supported, employees will enthusiastically commit to serving the members thereby fostering levels of business that will enable the club to thrive.

Service-Based Leadership

Service-Based Leadership is the foundation for The Remarkable Service Infrastructure as can be seen in this diagram.

The Quest for Remarkable Service   © 2011 – Ed Rehkopf
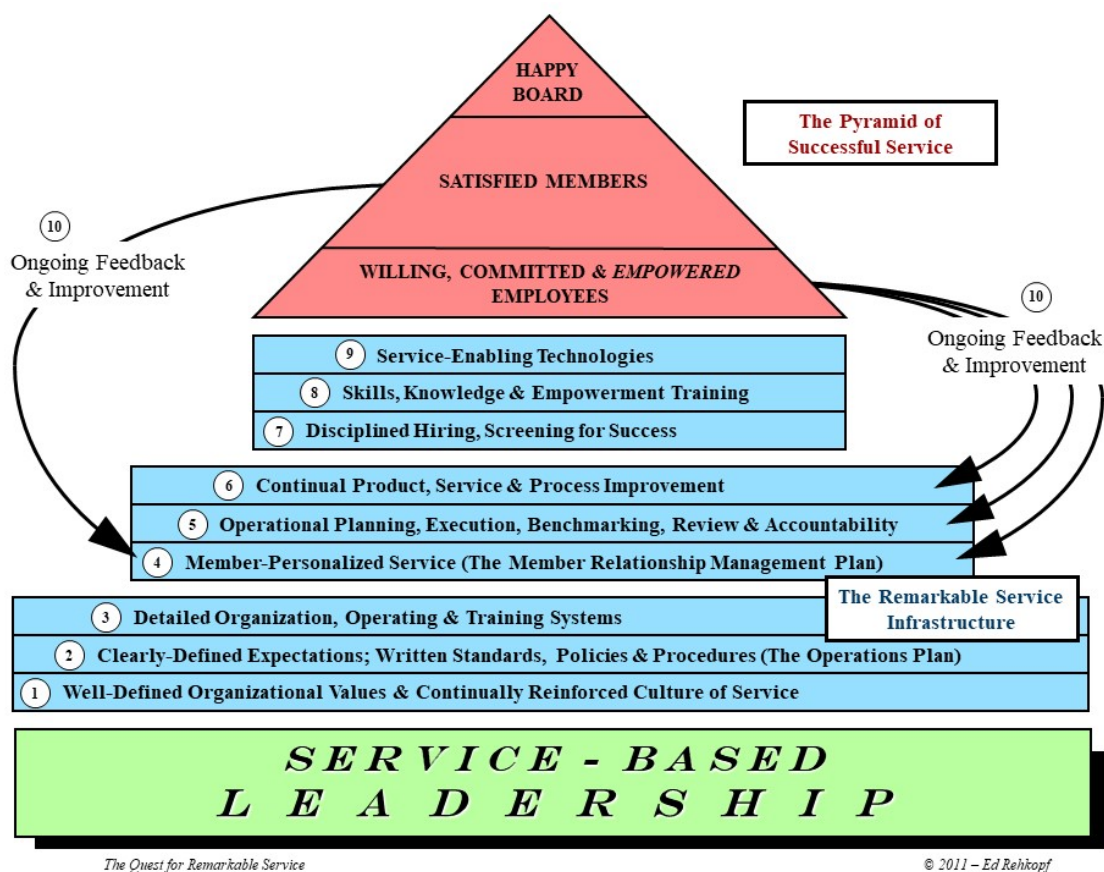
Given that leading ultimately involves guiding, influencing, and directing people, I posit the following working definition for "leadership":

"Leadership is the sum of those individual traits, skills, and abilities that allow one person to commit and direct the efforts of others toward the accomplishment of a particular objective."

Central to this definition is the understanding that exercising leadership involves building and sustaining relationships between leader and followers. Without this bond or connection, there are no willing followers and, therefore, no true leader. Given that no leader operates in a vacuum, it also requires that the leader establish relationships with other relevant constituencies.

With Service-Based Leadership, the attitude and primary motivation of the leader is service to others – to members, to employees, to the board. 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.

Service Breakdown: A Failure of Leadership

After thirty-five plus years in the hospitality business in both hotels and private clubs, I can state categorically that poor service comes from poor leadership. Show me an operation with poor, shoddy, inconsistent service, and I'll show you an organization with a failure of leadership. This observation flows from the understanding that leaders who recognize service problems in their organization will take corrective action. They will establish a plan of action, set priorities, lead employees to execute the plan, and follow through to completion.

Why, then, is poor service so often the rule rather than the exception? I have met many competent, hard-working, and professional general managers who voiced a clear and unequivocal service vision for their operations. They understood the need for well-defined standards, thorough training of employees, and constant reinforcement of service ideals within their organizations. Yet, they struggle to establish and maintain high standards of service. While we all recognize the many demands on our time, the challenge of employee turnover, the training burden in a detail-intensive business, time constraints, and ever-present budget pressures, these are not the root problem.

In examining this challenge that never seems to go away, I believe I have discovered the most significant source of the problem – the lack of well-developed and consistent leadership skills among subordinate managers, those who direct the day-to-day activities of the operation's line employees. While the general manager may clearly understand and articulate the requirements of service, unless that "gospel" is communicated faithfully, consistently, and continually to line employees by their immediate supervisors, there is a breakdown in the service message.

Throughout my career I have inherited or hired front line supervisors whose background, experience, and education should have prepared them for the challenges they would face daily

in our business. While most had more than adequate technical skills to execute their responsibilities, they were often lacking in a critical aspect of leadership – how to direct and motivate employees to achieve high levels of quality and excellence.

While some front-line supervisors demonstrated exceptional leadership skills, many did not. Often my biggest problems were created by supervisors who did not treat their employees properly, who did not communicate expectations, and who did not seem to understand or follow the most basic requirements of leading or managing people. These profound failings were crippling to the organization and required many hours of counseling, training, and, in some cases, terminations to remedy.

Over time I realized that any focus on training of line employees to smile and be friendly was a waste of time until I could be assured that supervisors developed basic leadership skills. From that point on, I focused my efforts on training supervisors. Regardless of background or education, I wanted them to learn to be effective leaders, to paint and preach a vision of excellence for their staff, establish goals, communicate expectations, provide support and training to their employees, and solve the inevitable problems that arise when people work in a service context.

The training called for a clear vision for hospitality operations and guiding principles that would shape our efforts. I made it clear to supervisors that our employees were truly our most important resource, and they must be treated with dignity and respect. Supervisors were told that their primary job was to provide direction, support, and training for their employees and that, based on their experience or education; I held them to a higher standard. I also provided detailed guidance on how to develop line employees and correctly counsel and discipline when necessary. Finally, I put a positive emphasis on communication and problem discovery. In time these concepts were formalized into a leaders' handbook which was issued to newly hired supervisors.

How successful was I in achieving my ends? I would frankly admit that the results were mixed. While some supervisors responded positively, others seemed incapable or unwilling to grasp basic leadership principles. These, typically, after much invested time and effort, were encouraged to take their talents elsewhere. But overall, the effort yielded improved employee morale, lower turnover, better two-way communication, and a more upbeat team spirit among all staff. We still struggled with budget and time constraints on training, but we were far better off than we would have been without the effort.

Consistency and high levels of service will always be a challenge in business. Without competent and committed leaders at all levels, general managers will always be trying to "do it all." In time they will burn out or be forced to compromise their standards. In either case the result is service breakdown.

See *PCPM, Insights and Ideas, Service-Based Leadership – The Foundation of Successful Club Operations*.

The Many Ways to "Kill" Employee Empowerment

I previously blogged about the importance of creating a culture that promotes Employee Empowerment at your club. I quoted John Tschohl, President of the Service Quality Institute, who said, *"Without empowerment, an organization will never be a service leader."* Mr. Tschohl went on to say, *"Empowerment is the most critical skill an employee can master, and a company can drive in order to lure and keep customers."*

Given the importance of empowering your employees, it's helpful to understand the many ways to destroy such empowerment and that none of them are caused by employees. If your employees do not feel empowered, look no further than your leadership and the way you interact with your people. In searching for reasons empowerment isn't working, focus on the following:

You are only paying lip service to empowerment. Without your sincere commitment to your employees and their success, they will recognize "empowerment" as a sham and will become more cynical and disaffected the more you try to encourage their "empowerment."

You don't really understand what empowerment is. If you fail to realize that empowerment begins and ends with your leadership, if you think that empowerment is something your employees must create, expecting your employees to act in empowered ways is a waste of time.

You haven't provided the "big picture" context of what your club is trying to achieve. Your employees need to understand how their contribution furthers the basic aims of the organization. Defining and sharing your values and goals is a first step.

You've failed to give your employees the information and training they need to understand the context and scope of their empowerment. When you ask them to take on additional responsibilities as empowered employees, they need to understand why and what the benefits are to them as well as to you and the club. They will also need examples of what empowered behavior is. Lastly, they will need to know that they will not be blamed or punished for making mistakes.

You've given them guidelines, but then micromanage them. Maybe you've done a good job of defining limits, but then micromanage them. When you do this, they will quickly understand that they are not "empowered" and that you will continue to make all the decisions, no matter how trivial.

You second guess the decisions you've authorized your employees to make. After giving your employees the guidelines to make empowered decisions, you second guess and criticize every decision they make. Put yourself in their shoes; how long would you put up with this before throwing in the towel on employee empowerment?

You have failed to give feedback on how your empowered employees are doing. Feedback, particularly early on, is critical so that employees understand by constant discussion and explanation what they are doing right and what can be improved on. Once they achieve a critical mass of understanding, they will feel more and more confident of their actions, will need less guidance, and will be looking for more and more ways to contribute.

You have failed to value your employees. Without the most basic sense that they are valued and recognized as partners in your efforts to provide quality and service to members, they will recognize that your program of "empowerment" is just a way to manipulate them. People who think they are being manipulated are resentful and will be unresponsive to your continued exhortations to be "empowered."

See *PCPM, Insights and Ideas, Employee Empowerment – Transforming Your Club's Service*.

Value Your People

Speaking of employee empowerment, business consultant Susan M. Heathfield said, *"Your regard for people must shine through in all of your actions and words. Your facial expression, your body language, and your words express what you are thinking about the people who report to you. Your goal is to demonstrate your appreciation for each person's unique value."*

So, what things should a leader do to demonstrate your regard for people "in all your actions and words"?

Know and use employee names. Everyone likes to be recognized as an individual and be called by name. Certainly, your members do, and your employees do as well. Introduce them to members, guests, and visitors when appropriate. Failing to do so implies they're just part of the scenery instead of key contributors to the success of your club.

Learn about employees as individuals. Get to know them, their life situations, their dreams and plans, their goals in life. This does not mean you are to become their friends, but it does mean you have enough interest in them as individuals to try to understand their situation, their needs, and motivations.

Greet employees daily. You should never fail to greet employees when you see them each day. You don't like to be ignored as if you were unimportant, and neither do they.

Share your time with employees. As busy as you are, make time for your employees. They have questions, concerns, and needs that should never be ignored. Be open and approachable. When you are not, when they are afraid to come to you for fear of your reaction, you are kept in the dark about what is really going on in your team. If any employee is monopolizing your time or is high maintenance, do not be shy about letting him know the inappropriateness of this behavior.

Recognize each person's strengths and weaknesses. None of us is the perfect manager, server, cart attendant, etc. Don't expect your employees to be. Learn each person's strengths and weakness. Capitalize on the strengths and help each person overcome their weaknesses. The time you invest in helping an employee develop her skills and abilities is well worth the effort and will be appreciated far more than you'll ever realize.

Be involved in the workplace and work processes. Do not create a hostile work environment by failing to adequately engage with your employees. Without your ongoing guidance and direction, petty dissensions and friction will grow among the workers of your team as they struggle to figure out who must do what.

Look out for your peoples' welfare. Make sure your employees get adequate work breaks, that their workspaces are set up for comfort and efficiency, that they are properly trained and equipped for their jobs, that you adjust work schedules, when possible, to meet individual

needs, that you resolve pay discrepancies quickly, that you get back to them to resolve issues they've raised. Make sure they understand their benefits, taking the time to explain the details to them.

Treat employees as adults. When you treat employees like children, they will act like children. Don't talk down to them or treat them as if they're immature. When you give people responsibility, most will reward your trust. Those that demonstrate they can't be trusted should be encouraged to move on.

Show respect. This is critically important in the way you speak, the tone of your voice, your choice of words, and your body language. Your respect for others cannot be faked. You must sincerely value people to treat them with respect.

Do not take advantage of people. Employees are not your servants and should not be expected to perform personal services for you. If you delegate tasks, make sure there is value in it for them, either in enhanced compensation or a genuine learning opportunity.

Thank employees often. How easy is it to say, "Thank you"? It costs nothing and it reaps great rewards. The only requirement is that it must be sincerely given.

Say goodbye at the end of the day or shift. A farewell is a common courtesy that you would extend to family and friends, if for no other reason than as an acknowledgement of departure. The members of your work team, who you depend upon for your success, should receive no less a courtesy. Again, the need for sincerity is absolute.

Eight Key Basics to Operating a Club

While the club industry faces unique challenges and the changing interests of club members, each club faces its own specific problems. As is usually the case when facing difficulties, this is the time to get back to the basics of our business. Here are eight things each club should examine:

Leadership. Clubs need clear-sighted individuals to guide them through tough times – but not just at the top. They need strong leaders at all levels of operations. It's also important that the leadership styles of club leaders at all levels are consistent. Different leadership approaches can dilute or damage the general manager's service message when it's not reinforced consistently by all managers and supervisors in both word and deed.

Organizational values and culture of service. Every employee needs to understand what, how, and why you do what you do. The basics of what you stand for as an enterprise are of absolute importance. Defining your values is only the first step. They must be continually and consistently reinforced to all employees. See *PCPM, Organizational Resources, Organizational Values and Culture of Service*.

Planning. Haphazard planning results in haphazard operations and equally haphazard performance. Your club should have a 3 to 5-year strategic plan focused on your competitive position in the marketplace. The club should have an annual plan for what it expects to accomplish, and the general manager and all department heads should have detailed annual work plans. As important, the requirements of work plans must involve measurable performance parameters. Detailed benchmarking of all areas of the operation is the easiest and best way to do this.

Benchmarks. You need to understand the variables of business volume and average sale that underlie all your revenues. Without this knowledge you may be lulled by historical levels of revenue when they are made up of declining volume, but higher prices and fees. Benchmarking in detail is also an excellent way to listen to what members are saying with their buying habits. See *PCPM, Insights and Ideas, Benchmarking Operations – The Key to Understanding and Improving Your Club*.

Accountability. The club business is too demanding not to hold individual managers accountable for results. The performance of every manager and supervisor must be measured against their annual work plan and there must be consequences for failing to meet goals. Poor performing managers degrade the efforts of the rest of the team and drive away good employees. See *PCPM, Insights and Ideas, Performance Management – An Essential Discipline of Success*.

Employee Turnover. There is a high cost to turnover, and it usually related directly to the quality of the club's leadership at all levels. It is particularly costly when you do a good job of training your people. Do not become the minor league training ground for your competitors – both private clubs and local restaurants.

Training. There is much for employees to know in serving your members. You cannot expect that your employees will inherently know what to do unless they are systematically and consistently trained. Training gives your employees the knowledge and confidence they need. Confident employees are more apt to engage your members and provide higher levels of service. See *PCPM, Insights and Ideas, Comprehensive Club Training – Executing on Your Promise of Quality and Service*.

Member feedback. You need to understand what your members think about your club, the products and services it provides, and the service your employees render. Surveys are an excellent tool to do this, but you must act on the information you receive in intelligent and thoughtful ways to make the most cost-effective decisions in satisfying wants and needs.

Getting back to the basics is a sure way to regain your footing during and after the current changes taking place in the industry. The good news is, and there's always a silver lining, that the best leaders and their operations will inevitably rise to the top.

Leadership Characteristics

What does it mean to be a leader? Much has been written to define what constitutes leadership, the role of the leader, the essential traits of leadership, and the habits of successful leaders. Though the exercise of leadership is situational, the following characteristics are essential to any successful leader.

Leadership with vision: Moving large and complex organizations in a specific direction requires the ability to formulate and articulate a vision of what the organization should be.

Ability to inspire others with a sense of purpose and excitement: "Selling" the vision requires constant hammering home of easy-to-grasp themes. Without the "big picture" sense of direction, employees become lost in the day-to-day detail of their jobs. Leaders must engage with employees on all levels and view such interaction as an opportunity to "spread the gospel."

Ability to transform vision into day-to-day action: long range vision must be broken down into a concrete plan of action for managers and supervisors at all levels. Work planning and performance reviews play an important part in establishing and communicating near and long-term objectives.

Communication and feedback: Most organizational failures result from faulty or inadequate communication. Informed employees are better employees. Leaders should strive to create an environment that facilitates communication flow; where superiors and subordinates keep each other informed, quality and performance standards are communicated, feedback is constantly given, and every employee knows where the organization is going and how it will get there.

Dedicated to needs and desires of members and guests: The bottom line for any business is customer satisfaction. Shortsighted policies that have a negative impact on this satisfaction will eventually show up on the bottom line. The surest way to keep members satisfied is to know what they want. Employees at all levels should be required to constantly seek the feedback and input of members and guests. Further, they should be instilled with a complete dedication to member satisfaction. See *PCPM, Insights and Ideas, Member Relationship Management – Romancing Your Members*.

Proactive in finding problems: Every organization has problems, and some managers try to hide their problems. A sure sign that there are problems in an organization is that no one ever talks about them. Everything seems to go a little too smoothly, and no one rocks the boat. It is a simple task to ask questions, to dig a little wherever one goes. Inevitably problems turn up. Often those most familiar with and vocal about problems are the line employees who deal with them every day. A significant step in solving problems is to place a major and positive emphasis on problem discovery. It's the first step in problem solution.

Every problem has a solution: Every problem can be solved. It's merely a matter of priorities. Even the most complex problem can be broken down into its smaller solvable components. Sometimes a solution is the result of compromise or many little steps that contribute to an improvement in the overall situation. As much as possible, one should look for systems solutions to problems – so they are solved for the long haul, not just in the current instance.

Bias toward action: Accomplish something every day. There is an insistent time factor in management. New problems crop up every day. When problems are not solved, the sheer volume of accumulating problems can paralyze an organization.

Strong organizational team building: Motivation and morale is built on making every employee part of the team. Organizational loyalty seems to be the strong suit of the Japanese, but it is little more than a corporate version of the military's *esprit de corps*. Much of it goes back to pride and recognition, but it also depends upon building a strong organizational identity and constant communication.

Strong support for employees: On any level, leaders serve two important constituencies – customers and superiors. There is, however, a third constituency of major importance – employees. Without the willing, committed, and empowered involvement of this group, the organization will never achieve high levels of success or standards of excellence.

Self-motivated and self-starter: A leader's ideas, words, action and example are major determinants in the success of the operation. No one should need to tell a leader what must be improved in her organization. She should formulate the vision and prepare the action plan to accomplish it.

Personal selling: Perhaps the greatest marketing tool available is the committed involvement of leadership in the marketing effort. By becoming actively involved in various organizations and actively selling the club at every opportunity, the leader promotes not only the operation, but himself. Since many decisions are influenced by personal loyalties, this type of salesmanship is often the most far-reaching and effective.

Strong financial manager: Benchmarks speak volumes about an operation. While they are not the complete story, they often point to troubled areas and make it easier to discover the underlying problems. Month to month and year to year comparisons of income statements, balance sheets, cash flow analyses, key ratios and operating benchmarks are the basis of sound decision making. See *PCPM, Operational Resources, Club Benchmarking Resources* on the PCPM Marketplace store.

Computer literacy: Large and complex organizations create a mountain of data. Without the ability to organize, compile and analyze operating data, the leader does not have the resources to make good decisions. Computers are important tools toward this end.

Attention to detail: A good leader must have an eye for details. Much can be learned by observing an operation and a leader must spend a good deal of her time "out and about" to know what is going on in an organization.

High standards of quality: Leaders must establish and disseminate their standards of quality. When employees are left to decide quality standards for themselves, the best that can be expected is inconsistent, and at worst a complete absence of, quality and service.

A positive attitude that remains upbeat in the face of adversity: Attitude is all-important in any endeavor. Employees look to leaders for guidance, reassurance, and example. A leader must learn to roll with the small ups and downs while keeping an eye on the larger vision. The proper attitude should also be mixed with an upbeat good cheer that is invariably infectious.

More on Service-Based Leadership

Poor leadership, or fear-based management at its worst example, impedes organizational teamwork and effectiveness but can be overcome by a leader with an open, trusting attitude and a willingness to grow as a person and a leader. Because of its detrimental impact on employees, members, and the bottom line, fear-based management should not be tolerated in any organization.

At the other end of the spectrum is the ideal of Service-Based Leadership. With this approach, the attitude and primary motivation of the leader is service to others – to members, to employees, to the board. This approach to leadership naturally creates relationships – the deep and abiding bonds that sustain the efforts of the club. Consider the following example:

Maggie was a retired schoolteacher starting a second career. She applied for a sales associate position with a well-known hotel and conference center. While she had no sales experience, her maturity, calm demeanor, and articulate style impressed the director of sales.

The position of sales associate is challenging. In addition to selling the facility and its services to the local community and industry, it is important to have a good working relationship with the hotel's operating departments. Ultimately, they are the ones who must execute the promises of the sales staff.

In short order, Maggie proved adept at winning new business for the hotel. She had a knack for meeting new people and establishing a sense of trust. Much of it came from her genuine, down-to-earth nature. She was short on hype and easy promises, but long on establishing meaningful relationships built upon commitment, confidence, and trust. Her clients knew that she was true to her word.

But as strong as she was in finding new business, she was even stronger at building those key relationships with hotel department heads and line employees enabling her to ensure that promises were kept, and expectations met.

Inevitably things would fall through the cracks and some meeting room was not set up properly for one of her clients. Because she always double-checked arrangements, Maggie would find the problem and seek help to correct it. Because she had taken the time to develop good working relations with the housekeeping, maintenance, and banquet staffs, she never had problems finding someone willing to help. As one porter said of her, "She always asks so nicely, there is no way to say no."

Maggie was an outstanding success as a sales associate. In two years, she increased her hotel bookings by 18.3%, and more importantly, trend lines promised even more future business from her many satisfied clients. Not surprisingly, when the director of sales was transferred to another property out of state, Maggie was asked by her general manager to take over the position.

Your success in balancing the needs of those you serve lies in ensuring that you build strong relationships with individuals. How do you do this? Begin by:

➢ Treating everyone you meet with courtesy, respect, and good cheer.

➢ Focusing on each person you deal with as if he or she were the most important person in the world.

➢ Taking the time to get to know people, sharing your time and attention with them.

➢ Learning about other people's jobs and the challenges and difficulties they face.

➢ Keeping promises and following through on commitments.

➢ Being principled, showing fairness, and demonstrating integrity.

➢ Recognizing the ultimate value of people in all you do.

Relationships depend upon how you view yourself in relation to others. If you see yourself as separate and apart from your constituencies, if you view others as the means to your end, if your vision and goals lack a broader purpose than your own needs and ambitions, establishing meaningful relationships will be impossible. On the other hand, when you see yourself as part of a team with a shared mission, then a sense of service will be an intrinsic part of your service team relationships.

Implementation of Remarkable Service

While many think 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.

It does, however, require commitment on the part of the owners or board, buy-in from the club's membership, and a long-term, focused effort from the general manager and management staff. The result of Remarkable Service, of an organized and efficient operation, and a focused staff working in unison toward a common goal, comes from Jim Collins' Flywheel effect. To quote from *Good to Great*,

"*What do the right people want more than anything else? They want to be part of a winning team. They want to contribute to producing visible, tangible results. They want to feel the excitement of being involved in something that just flat-out works. When the right people see a simple plan born of confronting the brutal facts – a plan developed from understanding, not bravado – they are likely to say, 'That'll work. Count me in.' When they see the monolithic unity of the executive team behind the simple plan and the selfless, dedicated qualities of Level 5 leadership, they'll drop their cynicism. When people begin to feel the magic of momentum – when they begin to see tangible results, when they can feel the flywheel beginning to build speed – that's when the bulk of people line up to throw their shoulders against the wheel and push.*"

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

➢ Greater operational efficiencies

➢ Improved operating performance

➢ Less liability exposure

➢ Better planning and execution

➢ Less turmoil and chaos in the operation

➢ Improved member sales, member satisfaction and retention

The important thing for management, employees, and members to recognize is that they are working on a plan to revitalize their club. And 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."*

See PCPM, Insights and Ideas, Remarkable Service Infrastructure – An Overarching Plan for Club Excellence*.*

Operating Standards

As anyone who has read my writings knows, I am a firm believer in written standards, policies, and procedures as the basis for a well-organized hospitality operation. Here are some of the reasons why:

➢ Written standards (or the expected outcome of our "moments of truth") for our products and services must be detailed in written policies and procedures.

➢ We cannot begin in any meaningful way to train our employees until we have defined for them the standards which we wish to achieve. These must be in writing to allow the general manager and board to evaluate and concur with the standards we contemplate. When written they allow us to consistently pass on the standards to succeeding generations of employees. The alternative is the highly suspect, ineffective, and corruptible "oral tradition." See *PCPM, Insights and Ideas, Beyond Oral History – The Importance of a Club Operations Plan*.

➢ Policies and procedures are the "what and how" of the way we do things. Employees should not be allowed to freelance. Discretion [on the part of employees] is the enemy of quality. Again, policies and procedures must be written for consistency. Taken together they form the basis for most training material.

➢ Standards, policies, and procedures must be continually reviewed and updated as necessary. Continual process improvement is the discipline that will not permit us to rest on our laurels, but instead be constantly working to make all aspects of the operation better. *See PCPM, Insights and Ideas, Continual Process Improvement – An Essential Discipline of Successful Club*.

What are some of the reasons that managers do not prepare written standards, policies, and procedures?

➢ It takes too much time (so they don't mind wasting immense amounts of time dealing with untrained staff and a disorganized operation).

➢ No one told them to do it (in other words, they don't have any initiative; they're not, as Jim Collins described in *Good to Great*, "disciplined people taking disciplined action").

➢ Their writing skills are not up to it (so they've given up instead of looking for creative ways to make it happen).

➢ They don't know what standards, policies, or procedures to prepare (then why are they a manager? Somewhere in their heads must be an idea of how they want to organize and run their operation).

➢ They don't know what format to use (could copying Private Club Performance Management's already designed format for standards, policies and procedures (SPPs) be any easier?).

➢ They have no excuse. (Which is exactly right!).

Having faced these issues in job after job in both hotels and clubs, I have over the years prepared an immense number of written standards, policies, and procedures which are

available on the Private Club Performance Management Marketplace store. You can purchase these resources and customize them for use at your club. So honestly, there's no longer any excuse!

Good Leadership – It's Just Common Sense

Some time ago, I read an Internet-posted news article entitled, "Disney Offers Customer Service Training." Written by Adrian Sainz, the article talked about Miami International Airport employees taking customer service training from the Disney Institute, a division of Walt Disney Company set up to teach its principles and practices to other companies. Let's pick up on the story.

"Now the Institute has taken another client: Miami International Airport, which many travelers will tell you needs customer service training like an airplane needs wings. Surveys rank its service among the nation's worst. The airport's terminal operations employees are taking classes taught by Institute instructors, learning leadership practices, team building, staff relations and communication skills-many formulated by Walt Disney himself.

"Disney takes great pride in ensuring a fun time and repeat business, mainly by emphasizing customer service and attention to detail while trying not to appear too sterile or robotic.

"Early in the training, a handful of Miami airport managers visited the Magic Kingdom, where they were shown examples on how paying attention to detail and removing barriers were integral in making guests happy and keeping them informed."

The article went on discussing various techniques used by Disney to enhance customer service. While I found this discussion somewhat interesting, it was the reader comments posted below the article that caught my attention. Here they are (emphasis added is mine):

1st Posted Comment: *"I work for a medical practice in Georgia that sends a few of their employees to Disney for training each year. Our patients (guests) really responded well to our new customer service guidelines. However, **management really needed to attend the training as well as the regular employees**. They became complacent in their 'ivory tower' and expected all of us to treat the patients well (and of course we did); however**, management needed to extend the same courtesy and good manners to their employees**. In the past 3 months the company has had record turnover and still harbors a large, disgruntled employee pool. **No idle words .... 'Treat others the way you would want to be treated.'"***

2nd Posted Comment: *"When we returned, all 1st level management (the ones dealing with the customers) were asked to implement the Disney experience in our daily activities. To this day we have weekly meetings with our senior management to report how our teams are embracing the changes. Unfortunately, many of the associates treat it as 'the flavor of the month' program to improve customer satisfaction. We are still trying to make a culture change with our staff. **The most unfortunate part of the Disney experience was that although our senior management went along on the trip, I am yet to witness the impact it had on them when dealing with us 1st level managers**."*

3rd Posted Comment: *"**I agree with the posters who feel that senior management should lead by example and treat their subordinates with dignity and respect. It just seems like common sense, that when employees are happy and feel well treated, this will filter down***

to the way they treat the customers*. Everyone in an organization deserves to be treated well and this makes for optimum performance."*

Three of the four postings by readers made the same point about management. This suggests the obvious: that without the active involvement and example of leadership (and Service-Based Leadership at that), improvements in employee morale, dedication, empowerment, and ultimately in customer service will not happen.

Personal Responsibility and the Will to Lead

The Freedom of Taking Personal Responsibility

Personal freedom is often thought of as the absence of responsibility. In this respect, no one is free. Everyone is responsible for and to someone else. There is, however, a freedom that comes from accepting personal responsibility for oneself and one's sphere of influence.

When you blame no one else for the challenges you face, when you realize that where you stand today is the result of all your past decisions and indecision, you look to the true source of any difficulties. It is never the undefined "they." It is always the ever present "I."

Realizing this is the true source of your freedom. Instead of being buffeted to and fro by uncontrollable forces, you accept the power of your own authority. For good or ill, you are the one in charge of your life.

For the supervisor, this means that, as you seek opportunity, you also take responsibility for all aspects of your duties. Size up those around you, your superiors, peers, and employees. If they demonstrate responsibility, learn to depend upon them. If they don't, find ways to compensate for their inadequacies. In the case of your employees, act as necessary.

In the end, you are the only one responsible for your success or failure. If something goes wrong, there is always more you could have done. In the case of the truly unexpected event, it's not so much what went wrong as how you respond to it. Instead of blaming circumstances or others, take responsibility to make things right. By accepting this degree of personal responsibility, you free yourself from the unpredictability of life and those around you.

The Will to Lead

Taking personal responsibility equips you to assume a leadership role. But the will to lead is a far cry from being willing to lead. A good number of people are willing to accept positions of authority. But accepting authority and exercising leadership are two very different matters.

Having the will to lead implies a commitment to face whatever challenges may present themselves. Simply put, it's the will to make things happen. Consider this example.

Bob was the front desk manager of an older hotel. Hospitality was his profession but running was his passion. Each day at lunchtime, regardless of the weather, he took a five-mile run. After running he used the employee locker room to change and shower before returning to work.

The poor sanitation and maintenance of the locker rooms disgusted Bob, but for a long time he said nothing. Finally, he had had enough and announced at a staff meeting that the employees

deserved better and that he was going to petition the general manager to clean and fix up the locker rooms.

One of the other supervisors commented that it would be a waste of time and that they would quickly return to their former condition. He said that the employees didn't care and wouldn't keep them up. Bob responded that it didn't matter whether the employees cared or not – he did!

Over the next few weeks with the general manager's blessing, Bob organized the maintenance and housekeeping staffs to scrape and repaint walls, strip and refinish the floor, replace broken and unserviceable lockers, and improve the lighting. Then he got the general manager to assign different departments the rotating duty of keeping the locker rooms clean. Finally, he checked them daily for several months to ensure that they were being properly maintained.

The result was improved employee morale and a changed attitude about their locker rooms. Employees did care – they just needed someone to lead the way and to overcome the erroneous notion that they didn't. They needed Bob's "will to make things happen."

See *PCPM, Operational Resources, Leadership on the Line: A Guide for Front Line Supervisors, Business Owners, and Emerging Leaders* on the PCPM Marketplace store.

Establishing and Maintaining Discipline

Discipline is necessary to maintain the direction and focus of the organization and to establish and maintain standards of quality and service. The desire is to achieve excellence and success and supervisors should 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. A lax supervisor can be more damaging than no supervisor at all.

Further, 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 terminate the individual while following established discharge policies.

Good Communication

Good communication is important when working with a troubled or problem employee. Some supervisors do not like to confront employees 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 individual. However, discharge is inappropriate because the supervisor has not previously discussed the problems with the employee, warned her of the consequences of continued problems, 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

A club should subscribe 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, policies, and procedures.

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 rules, requirements, policies, and procedures of the club and position. An employee handbook should contain the more important 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.

Fairness and Consistency

A club's disciplinary process must be fair and consistent. This will follow naturally from rules, requirements, policies, and procedures being applied fairly and consistently to all employees. Supervisors who are not fair and consistent will create 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. If some special situation comes up where your decision may seem unfair to some employees, take the time to explain the situation to everyone. This will clear the air and more than likely satisfy the staff.

Constructive and Progressive

A club's disciplinary process should 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 a supervisor's position, 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 she is supported in her decisions is to have all her facts together before taking disciplinary action.

For more information about disciplinary procedures see *PCPM, Organizational Resources, Employee Development and Disciplinary Guides* on the PCPM Marketplace store.

Leadership Growth and Adaptation

As any individual grows in leadership, his ideas about what leadership entails will mature and, in that maturation, one constant will stand out – change. Adaptation to insistently changing circumstances is a hallmark of success. One must approach life as a continual learning experience.

What attitudes and approaches lend themselves to this continual learning experience?

➢ Always keep an open mind. Try not to pre-judge situations or people.

➢ Never assume you know it all. The more you learn, the more you realize how little you know.

➢ Be open and accessible to constituents – particularly followers.

➢ Remember that each follower and each constituent is unique and may require different motivators.

➢ Take time to stop and listen to your constituents. In your rush to accomplish, do not forget that you need their input, feedback, and support. Knowing their needs is essential.

➢ Don't cast others as adversaries. Find out their legitimate concerns about your agenda. Accept the challenge of winning over your most difficult constituents.

➢ Take constituent concerns seriously and adjust your agenda as necessary. Their buy-in to your program is essential to your success. Judicious compromise is a sign of intelligence and flexibility, not defeat. It should never be "my way or the highway."

➢ Stay informed. Know what's going on in your organization, community, and the world at large. To be effective, you must be relevant to your time and place. To speak with authority and win people over, you must be knowledgeable about more than just your job.

➢ Nurture and care for your constituents. While never on a quid pro quo basis, you will find that the care you give will be returned many times over in loyalty, support, and advancement of your goals.

➢ Be aware and alert to what goes on around you. Learn by observing others, by witnessing their successes and failures. Most knowledge comes not from education, but from your life experiences. When you go through life in a fog of your own making – too consumed with real and imaginary dramas – you are inert, like a rock, to the wealth of learning opportunities around you. As one leading hospitality company puts it, "keep your antennas up and your radar on" at all times – you'll learn a lot by doing so!

> ➢ When you're stressed or something has you ill-at-ease or on edge, it is a sure sign that something is wrong somewhere. Analyze your situation. Discovering the source is the first step in finding out what's wrong and where you need to act.

> ➢ Once you've discovered the problem, contemplate how your leadership can overcome the issue. Like any other learned ability, this continual "puzzling" over leadership challenges will enhance your skills and usually bring you to a better resolution. If things turn out badly, figure out what went wrong and learn from the mistake.

Darwin was right on many levels when he said that creatures must adapt to survive. Leaders must adapt, not just to survive, but to thrive.

See *PCPM, Organizational Resources, Leadership on the Line – The Workbook* on the PCPM Marketplace store.

How Many Silos Does Your Operation Have?

Teamwork pays off. We've all seen examples in the sports world of one team playing well together beating a team with superior individual talent. Legendary University of North Carolina basketball coach Dean Smith made a name for himself by fielding balanced teams known for their teamwork as opposed to teams with individual high scoring stars. Some wag once said, "Dean Smith was the only coach who could keep Michael Jordan to less than 20 points a game" – because of his insistence on selflessness and teamwork.

Teamwork is also important in business where complex organizations depend upon the strengths of different departments working together. The term "silo" has come to represent individual managers and departments focused solely on their own agendas, functions, and tasks. The image of a silo, standing tall with sheer walls separating its contents from other silos, is an apt analogy for business departments who work alone with minimal contact with adjacent departments regardless of degree of interdependence and common purpose.

Silos are quite prevalent in the club business where individual departments perform certain well-defined functions in the overall operational scheme. While some usually have good communications and working relationships, such as managers within the food and beverage department or the golf operations and golf course maintenance management, less often is this the case between other functions, such as between food and beverage, sales and marketing, administration, and golf operations. In many cases some department heads only encounter each other at the general manager's staff meetings.

The danger in having silos in your club is that some managers have little understanding beyond a broad conception of what other managers or their departments do. Without a keener appreciation of all elements of the operations, how can department heads work together as a team to understand and exceed member expectations?

This is particularly important in those departments that provide a supporting function to other operations, such as accounting, human resources, administration, and facilities management. Unless these department heads get out and meet frequently with their operational counterparts, they are unable to get important feedback or conceive of better ways to serve their internal customers.

So how does a general manager go about breaking down the silos in her operation? Here are some suggestions:

➢ Hold regularly scheduled weekly meetings with all department heads. These meetings allow each attendee to update others on what they are working on. Obviously, this keeps everyone better informed and gives each a better understanding of what others are doing.

➢ Use the annual planning process as a team building exercise. Many minds are better than one and often an outside view on problems can bring a fresh approach.

➢ Once a quarter have one department head lead a brainstorming session to improve his operation.

➢ Take department heads to lunch at a nice restaurant once a quarter for socializing. Follow the lunch with a brief presentation and Q&A session by a member about her business and the importance of all teams working together. Often these individuals would be happy, maybe even honored, to speak at such a luncheon.

➢ Hold "Wow Factor" brainstorming sessions with all department heads.

The more your department heads interact with one another in formal and informal settings, the better they will understand the common challenges they face in running a high quality, member-focused operation. When this happens, they will naturally begin functioning as a team committed to their common purpose regardless of individual function.

Anything Less is Just B.S.

Sure, knowledge and technique are important aspects of service, but without sincerity any attempt at service is just a load of you know what.

Most people have a well-calibrated sense of phoniness and quickly pick up on any attempt to be "snowed" or "conned." What makes this so critical in service situations is that insincerity destroys the trust that underlies every human engagement. A genuine person exudes a sense of helpfulness and desire to be of service, while a lack of sincerity gives a definite perception of ulterior motive, pretense, and just going through the motions.

Most of us have experienced this at one time or another. What stands out most in my mind is the restaurant server who dripped kindness and concern, but whose only motivation was to extract the largest tip possible from our encounter. "Oily" and "smarmy" are two words that come to mind when I recollect such experiences. While I am happily prone to reward warm, friendly, helpful, and sincere servers with a generous tip, I'm less inclined to do so when I sense the service was insincere.

From the other side of the coin, I recall my own days of waiting tables and listening to some servers complaining bitterly about being "stiffed" by tables they served. The restaurant manager's response to these complaints has long resonated with me, "Stop obsessing about the money and just focus on the quality of your service."

Sincerity is defined as "The quality or state of being sincere; honesty of mind or intention; freedom from simulation, hypocrisy, disguise, or false pretense."   It's a good bet that you can't teach sincerity to a person who is not authentic. While clubs typically make great effort to hire

those with a genuine service attitude, all employees can benefit from training that stresses and reinforces sincerity in their service teams by:

➢ Discussing the meaning and purpose of service and the important role of assisting members and co-workers alike.

➢ Stressing the critical importance of sincerity in every service situation.

➢ Creating and reinforcing a strong culture of service through well-defined organizational values.

➢ As managers and leaders, setting an unimpeachable example of service in all your dealings with members and employees. The sincerity of your example will be far more effective than anything you can say to them.

➢ Organizing work areas and work practices to reduce chaos. Employees are more disposed to sincere good cheer when not under the duress of a chaotic work environment.

➢ Providing service etiquette training for the expectations of a private club environment, focusing on sincerity and the appropriate behaviors of key "touch points" with members.

➢ Ensuring your service employees understand the importance of body language and tone of voice in conveying the appropriate attitude of service.

➢ Discussing the rules of engagement for member service interactions.

➢ Reviewing the concept of mental environments for various areas of the club.

➢ Reminding employees of all the above on a continuing basis.

The gist of the above training is the recognition that while some employees are inherently sincere in their dealings with others, some will need help, and all will certainly benefit from the conscious effort to make sincerity a central standard of every service situation.

See *PCPM, Insights and Ideas, Quality and Service in Private Club – What Every Manager Needs to Know*.

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 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.