

# The Club Operations Plan

## A Legacy Contribution for Club Excellence



**Ed Rehkopf**



## **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 Elements of a Club Operations diagram below. 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 (see *Insights and Ideas – Beyond Oral History* for more detail).

## **Elements of an Operations Plan**

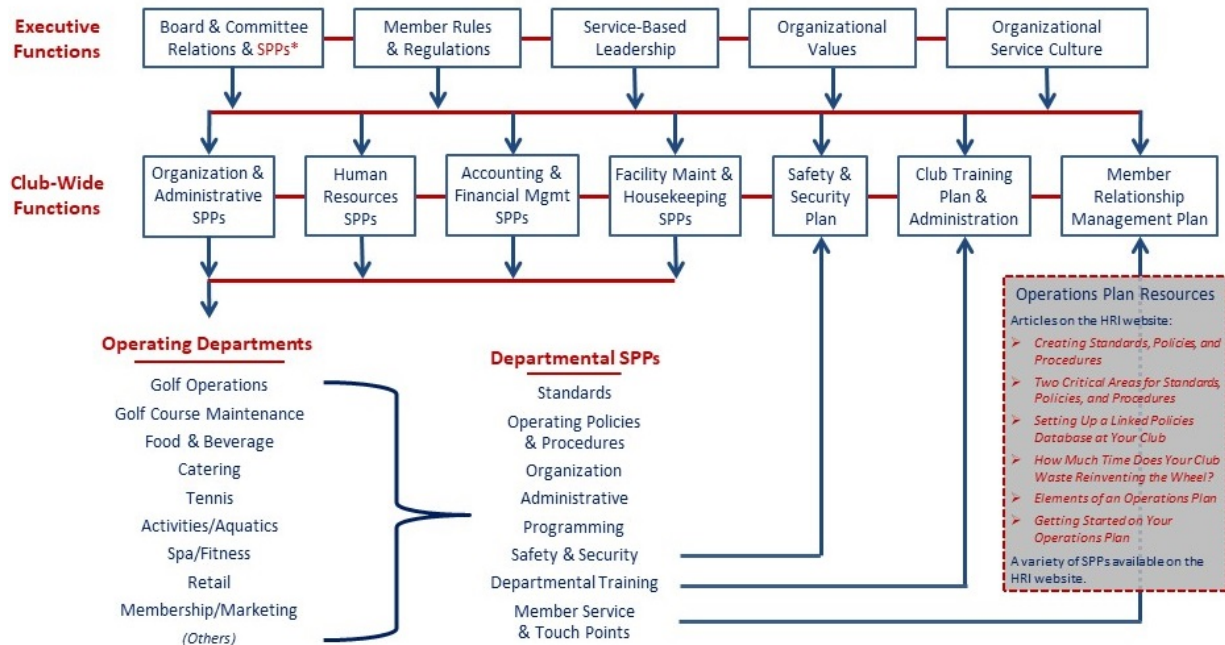
One of the most frequently asked questions about club operation plans is what goes into them. While every club is different depending upon the amenities and programming offered, there are many similarities from club to club.

Basically, there should be written standards, policies, and procedures (SPPs) for all the actions and requirements associated with the activities of each functional area of the club – that is, each department such as golf operations, golf course maintenance, food and beverage, activities, aquatics, tennis, membership, accounting, personnel, facilities management (including housekeeping and laundry operations), safety and security, administration, and training. In this capacity, SPPs serve as the basic building blocks of the larger departmental and club operations plan.



## Elements of a Club Operations Plan

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Given that the end-all and be-all for clubs is the satisfaction of its members, each department would start with a description of all member-impacting policies, any significant interactions with members, and how these interactions should be accomplished. Beyond this are all the processes of daily operations, such as opening and closing procedures; cleaning requirements, responsibilities, and procedures; equipment operation and care; task-specific requirements; reports and benchmarks; as well as weekly, monthly, and seasonal requirements, etc.

Some areas of departmental standards, policies, and procedures would flow from club-wide SPPs, usually for the purpose of clarifying or adding additional departmental information or guidance. Other major areas of departmental SPPs might include department organization; employee onboarding, training, and work rules; layout and location of departmental storage areas; departmental safety and security; and any other topics that provide local guidance and instruction for employees. The only requirement here is that these local SPPs be coordinated and synchronized with the higher level SPPs of the club.

A good way to ensure this synchronization is to ensure that department heads review all club-wide SPPs prior to drafting their departmental SPPs. This process will reveal conflicting information. In some cases, the club-wide guidance should prevail; in others, the departmental SPPs may point the way to improved club-wide SPPs.



While this back-and-forth review of departmental SPPs takes time and effort, the result of the process should be detailed departmental SPPs that are fully coordinated from department to department. At the end of the day, such integrated operations and the training received by all employees regardless of operational area will provide a more seamless experience for members no matter what area of the club they are utilizing.

The following chart lists typical club functional areas and those individuals responsible for preparing the associated standard, policies, and procedures. The general manager would then review all SPPs to ensure they meet his or her requirements, particularly when involving member interactions, suggest changes or enhancements, and broker conflicting or incompatible SPPs among the different departments.

<b>Functional Area</b>	<b>Responsibility</b>
<b>Accounting</b>	Controller
<b>Human Resources</b>	HR Manager
<b>Golf Operations</b>	Head Golf Professional
<b>Golf Course Maintenance</b>	Golf Course Superintendent
<b>F&amp;B - Kitchen</b>	Executive Chef
<b>F&amp;B – Front of House</b>	Food and Beverage Manager
<b>F&amp;B - Catering</b>	Catering Director
<b>Tennis</b>	Head Tennis Professional
<b>Activities</b>	Activities Director
<b>Aquatics</b>	Aquatics Manager
<b>Membership/Marketing</b>	Membership Director
<b>Facilities Maintenance/ Housekeeping</b>	Facilities Manager
<b>Safety</b>	Facilities Manager
<b>Security</b>	Facilities Manager
<b>Training</b>	Training Manager or Designee
<b>Administration</b>	Office Manager or Admin Assistant

Each SPP should be described in detail with stated policy, a discussion of requirements, specific procedures or timelines, and a listing of necessary responsibilities (for a discussion on developing SPPs, see *Insights and Ideas - Beyond Oral History*).

The starting point for each department's SPPs is to prepare an outline of topics. This outline will become a living overview of the department's SPPs. Invariably, the initial outline will be expanded as time goes on. The usual sign that an SPP needs to be added is that some operational issue arises for which there is no written standard, policy, and procedures in place. This topic should then be added to the outline and the new SPP drafted, reviewed, and finalized. Below is an abridged sample index of Personnel Standards, Policies, and Procedures.



Personnel Policies – 100 Series

- P-100.01 Personnel Policies
- P-100.02 Employee Supervision
- P-100.03 Personnel Administrator Responsibilities
- P-100.04 Personnel Records
- P-100.05 Confidentiality of Employee Personnel Records
- P-100.06 Modification of Policies
- P-100.07 Principles of Employee Relations
- P-100.08 Staff Notes

Employment Policies – 200 Series

- P-200.01 Equal Opportunity
- P-200.02 Employment-at-Will
- P-200.03 Employment Agreements
- P-200.04 Employment Status
- P-200.05 Introductory Period
- P-200.06 Pre-Hire Screening
- P-200.07 Conditional Employment Offers
- P-200.08 Legal Status to Work
- P-200.09 Hiring
- P-200.10 Alcohol and Drug Policy
- P-200.11 Employee Confidentiality Agreement
- P-200.12 Hiring of Members/Members' Relatives
- P-200.13 Rehiring Former Employees
- P-200.14 Harassment
- P-200.15 Sexual Harassment
- P-200.16 Outside Employment
- P-200.17 Layoff and Recall
- P-200.18 Terminations
- P-200.19 Seniority
- P-200.20 Youth Employment
- P-200.21 Nepotism
- P-200.22 Appropriate Hiring Questions
- P-200.23 Accommodation of Disabilities
- P-200.24 Workplace Relationships
- P-200.25 Workplace Violence
- P-200.26 Purchase Rebate Programs

Employee Development Policies – 300 Series

- P-300.01 Employee Handbook
- P-300.02 Standards of Service
- P-300.03 Job Descriptions
- P-300.04 Employee Orientations
- P-300.05 Employee Training
- P-300.06 Training Plan
- P-300.07 Knowledge & Individual Skills Training
- P-300.08 Training On the Go!
- P-300.09 Non-Exempt Employee Performance Review
- P-300.10 Promotions and Transfers
- P-300.11 Exempt Employee Performance Review
- P-300.12 Work Plans
- P-300.13 Departmental Orientation
- P-300.14 Managers Handbook
- P-300.15 *Leadership on the Line*
- P-300.16 Internship Programs
- P-300.17 Employee Recognition and Service Awards

Pay Policies – 400 Series

- P-400.01 Work Schedules
- P-400.02 Work Hours/Pay Cycle
- P-400.03 Timekeeping
- P-400.04 Verification of Hours
- P-400.05 Overtime
- P-400.06 Exempt Employees
- P-400.07 Working Off the Clock
- P-400.08 Punching in Early
- P-400.09 Exempt Employee Time Documentation
- P-400.10 Pay Procedures
- P-400.11 Deductions from Paychecks
- P-400.12 Severance Pay
- P-400.13 Final Paycheck

Benefit Policies – 500 Series

- P-500.01 Benefits Eligibility
- P-500.02 401k Retirement Plan
- P-500.03 Employee Discounts
- P-500.04 Employee Meals
- P-500.05 Sick/Emergency Pay
- P-500.06 Vacation Pay
- P-500.07 Holiday Pay for Hourly Employees
- P-500.08 Holiday Pay for Exempt Employees
- P-500.09 Direct Deposit of Paychecks
- P-500.10 Use of Facilities
- P-500.11 Workers' Compensation
- P-500.12 Personal Time-Off without Pay
- P-500.13 Family Medical Leave
- P-500.14 Military Leaves of Absence
- P-500.15 Unemployment Insurance
- P-500.16 Bereavement Leave
- P-500.17 Jury Duty

Work Policies – 600 Series

- P-600.01 Attitude
- P-600.02 Removing Items from the Premises
- P-600.03 Solicitation/Distribution
- P-600.04 Bulletin Boards and Posting Notices
- P-600.05 Departmental Meetings
- P-600.06 Punctuality
- P-600.07 Sickness
- P-600.08 Accidents and Emergencies
- P-600.09 Absences & Notification
- P-600.10 Inclement Weather
- P-600.11 Safety
- P-600.12 Meal and Rest Breaks
- P-600.13 Productive Use of Work Time
- P-600.14 Visitors and Personal Phone Calls
- P-600.15 Telephone Use
- P-600.16 Loitering
- P-600.17 Employee Parking
- P-600.18 Employee Lockers
- P-600.19 Cashing Checks/Advance Pay/Loans to Employees
- P-600.20 Attire, Uniforms and Nametags

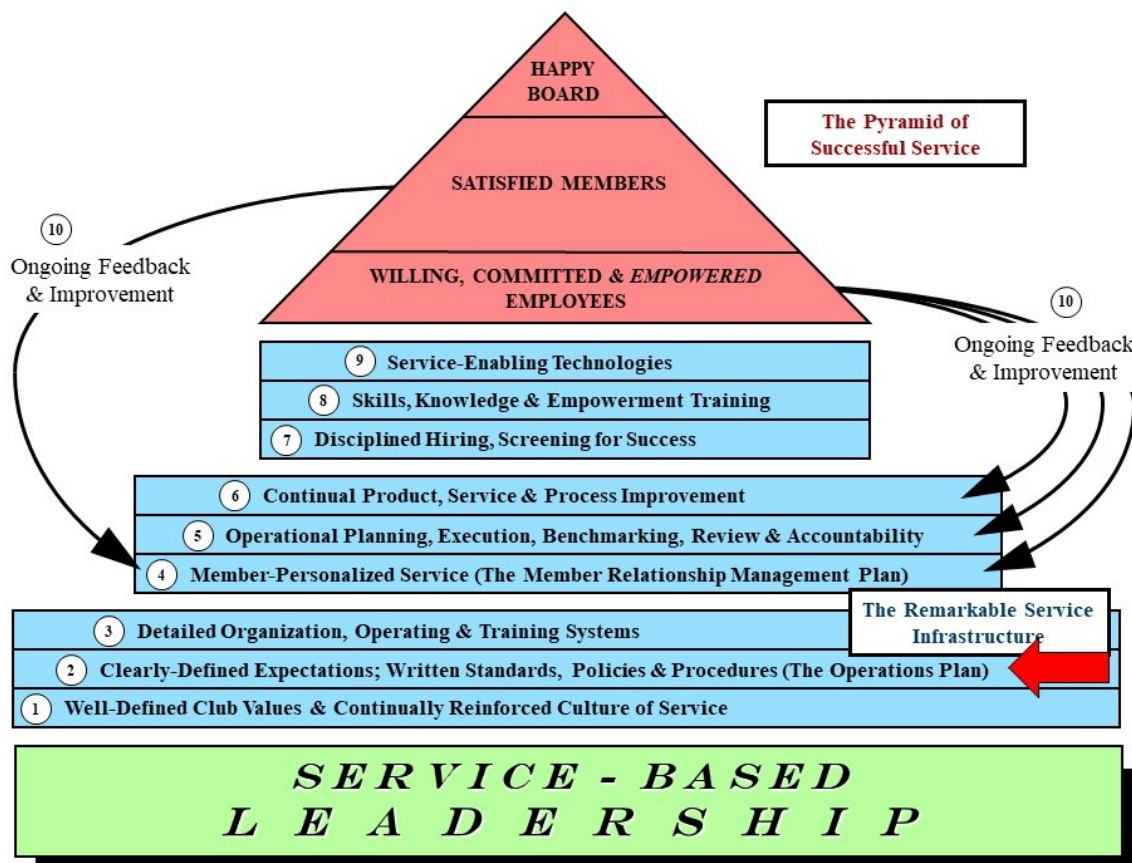


Prior to the digital age, the process of keeping an operations plan current and useful was a challenging job for all concerned. But the technological progress of recent years allows all responsible individuals to keep their plan elements up-to-date and all stakeholders informed of changes by using a Linked Policies Database (again see *Insights and Ideas – Beyond Oral History* for more information).

While creating an operations plan **IS** a lot of work, it is ultimately an effort of immense value to the organization, efficiency, quality, member service, and bottom line of your operation. The investment made today on this essential task will pay dividends for the life of your club.

Jim Muehlhausen, the author of the *51 Fatal Business Errors*, says that “most owners [or operators] don’t have the tenacity to write an operations plan, but an operations plan is a living breathing document that is never done. Therefore, starting and not finishing is no big deal precisely because you are never finished.”

As seen below, the Club Operations Plan is an essential discipline in the Remarkable Service Infrastructure.



*The Quest for Remarkable Service*

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(See *Insights and Ideas - Remarkable Service Infrastructure - An Overarching Plan for Club Excellence* for more information).



## Benefits and Challenges of a Club Operations Plan

Getting started on writing a club operations plan requires a long-range vision for improving your club, the will to make it happen, and the tenacity to overcome all obstacles to its successful completion. The effort will require the active involvement of all club department heads, so convincing them of its importance and the benefits to them personally and their departmental performance is paramount.

While it may be advisable to make the club's board aware of the project, ultimately preparing an operations plan is a matter for the general manager and the club's management team. I personally would not seek their permission; only inform them of what I am doing. There is no great outlay of cost involved, possibly some purchased resources. The main effort is one of time and effort on the part of the club department heads. They may claim they don't have the time, but I don't buy it. It's a matter of priorities, discipline, and time management.

The first step is to call a meeting to explain the purpose and Elements of an Operations Plan, what it contains, and its benefits to members, management, and staff. These benefits include:

- Improves organization and performance of the club.
- Reduces constant reactions to daily crises.
- Clearly identifies training requirements.
- Gets everybody in a department on the same page.
- Improves inter-departmental cooperation and efficiency.
- Lessens mistakes and rework.
- Allows routine aspects of operation to function routinely, thereby freeing management for strategic initiatives and enhanced member engagement, personalized service, and club programming.
- Improves efficiency and performance.
- Increases staff pride and morale in working for a well-organized and efficient operation. As Jim Collins said in his groundbreaking book, *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."*

At the same time, department heads must understand the short-term challenges for everyone involved. The plan:

- Requires focus, attention, and careful consideration of what each department does and how they do it. While this sounds difficult and complex, it is founded on the simple premise of describing what it is they do by breaking tasks and desired outcomes down into their basic elements – the standards, policies, and procedures (SPPs) by which they operate – and putting these in writing.
- Requires some degree of writing ability, though those who lack the necessary skills can be aided by using a standard format and provided with assistance where necessary. If a



department head can describe a basic sequence of steps in a process, some other individual with more appropriate writing skills can draft the SPPs. Literary skills are not required; only the ability to describe standards, policies, and procedures logically and accurately. If your club lacks someone with writing skills, consider hiring a part time person with the necessary abilities, such as a retired high school English teacher.

## Tips for Preparing Your Club Operations Plan

- Explain and encourage the concept of incremental progress to overcome objections that “they are too busy” to work on the project see **Implementing Initiatives with Incremental Progress** in *Insights and Ideas – Personal Productivity and Organization* for more information). Most importantly, writing an operations plan requires self-discipline and knowledge. In some cases, you may discover that a department head doesn’t fully understand his or her business or the dependency and interplay among departments.
- Assign responsibilities and establish a tentative timeline for progress on the project. Recognize that while most department heads will be able to meet the established deadlines, a few will struggle with the project. In these cases, the general manager will need to make allowances, commit other resources, or seek alternative ways to proceed depending on circumstances.
- Require all department heads to prepare outlines of SPP topics for their functional areas. Initial outlines will naturally be expanded as the project progresses and new topics are perceived or identified. The general manager should carefully review the outlines for any essential topics that may have been missed.
- All departments with member interfaces must start with an inventory of their key service touch points and a thorough description of how employees interact with members, including all policies pertaining to members. Placing top priority on documenting service standards, policies, and procedures, and techniques places the appropriate emphasis on the purpose of the club and its employees. Further, how members are treated will be a significant driver of the substance of other departmental operating SPPs.
- The member service SPPs of all departments, when taken together, become a significant portion of the Member Relationship Management Plan – a crucial element to providing consistent club-wide service (see *Insights and Ideas - Member Relationship Management Plan*). For this reason, it’s important that the general manager has previously established the club’s organizational values and culture of service, thereby establishing the standards for member service (see *Insights and Ideas - Organizational Values and Culture of Service*).
- Review format for SPP presentation (see *Insights and Ideas - Beyond Oral History* for an example). Unless you have some compelling reason to create your own format, use the example, as there is no sense in reinventing the wheel.
- Focus particularly on Accounting and Personnel SPPs because of their club-wide application and significance to the entire operation. Other club-wide SPPs include





safety, security, administration, training, and facility management, particularly the standards for maintenance and housekeeping.

- Designate a project manager to oversee and coordinate departmental tasks. I personally feel this project is so important to the club that the general manager should act in this capacity, aided by an administrative assistant. After all, the general manager is the person with widest experience and knowledge and is most likely the best person to understand industry best practices, how various departments should work together, and, therefore, make the best decision when departmental SPPs conflict.
- As SPPs are drafted they should be reviewed by the general manager and modified as necessary. The review and redrafting process may take several iterations before approval. Keep in mind that the process of writing SPPs is a cumulative effort, particularly when they involve multiple departments, that may entail significant modification and enhancement as the many processes of the operation are refined and honed into an even more useful plan.
- Once approved, the individual SPPs should be set up in a Linked Policies Database on the club server. When the project is finished all SPPs and related forms will be available in a digital format in one location, easily accessible by all who have a need to access them. Setting up such a database is easy to do and flows naturally from the original departmental outline of SPP topics (for more information see *Insights and Ideas – Beyond Oral History*).
- Once the original project is completed, the operations plan should be reviewed and updated in its entirety on an annual basis as part of continual process improvement. As each cycle of review and enhancement takes place, the task becomes easier. As more and more of the operation's process are documented, more and more of the operation becomes formalized and synchronized. In this respect, everyone must understand that an operations plan is a living document, describing in detail a living organization that continues to change and evolve in a never-ending quest to provide better value and service to members.

Prior to starting on this significant project, I would strongly recommend you check out the many operational resources on the PCPM Marketplace store:

- A series of 175 Accounting Standards, Policies, and Procedures (SPPs), along with 47 related forms, which it sells for \$395. Each individual file is provided in MS-Word or Excel, allowing for customization by each club.
- A series of 157 Personnel Standards Policies and Procedures and 45 related forms for \$395. As with the Accounting SPPs, these can be customized by each organization.
- PCPM also sells SPPs for Golf Operations, Food and Beverage, Club Organization, Activities and Aquatics, and Safety, along with their respective outline of SPP topics. These resources can be a helpful starting point for those department heads.

Clubs interested in these sets of SPPs can view samples on the PCPM Marketplace store.



## What is Your Contribution? Competency or Legacy?

Years ago, a hospitality consultant told me his job was the easiest in the world. When the owners of a troubled property came to him for help, he said all he had to do was to find a competent general manager to turn the operation around. And certainly, we all recognize the impact that competent management can make – better leadership, strong focus and initiative, improved service levels, and enhanced performance. Yet, as a club manager, if your contribution to your board and members is based strictly on competency, you are only doing part of the job.

A common failing in independent hospitality operations, and particularly private clubs, is what I call the “cult of competency,” though Jim Collins might term it, “good is the enemy of great.” The board and members are so thrilled to have competent management, especially if they’ve had a revolving door of weak managers, that they don’t expect to hire a manager focused on “legacy” achievements – that is, an operation organized around well-defined and documented systems instead of force of personality and will.

But, let me be clear. When an operation’s success is founded on individual competency, its success is built upon what should be considered “unacceptable risks.” What happens when the competent manager leaves for whatever reason?

When an operation without deeply ingrained organizational systems or “disciplines of success” at all levels of the operation loses its competent manager, it risks literally falling apart until a new competent general manager is found – and often this is not easily nor quickly done.

The alternative to this all-too-familiar scenario of competency loss is to hire a general manager who is focused on legacy solutions. But what do we mean by legacy solutions? They are the deeply entrenched systems and management disciplines that result in consistently efficient and high-performing operations, whose longevity and success is based not on the individual, but on organizational habit. Such habit includes:

- A **club operations plan** made up of well-defined standards, policies, and procedures for personnel (HR), accounting, and all operating departments
- Establishment of consistent **Service-Based Leadership** throughout the organization
- Coaching and **professional development** of subordinate managers
- Establishment and use of **measurable accountabilities** for all management positions
- A **discipline of planning and review**
- Thorough **benchmarking** of operations
- **Continual process improvement**
- A well-defined and executed **member relationship management plan**
- **Financial disciplines**, consistently applied
- **Disciplined hiring**
- Well-defined and continually reinforced **organizational values and culture of service**



- **Formal training programs** for managers and all line positions

What then is the difference between a competent and legacy manager? A general manager's strong commitment to leave the operation poised for continued success when he or she departs.

Club boards and executive search consultants put tremendous time and effort into finding competent managers for organizations and clients. I would argue that they go beyond competency and find those rare general managers who recognize the higher calling of legacy leadership.

Jim Collins, in his ground-breaking book *Good to Great*, found that every Good to Great company in his study had Level 5 Leaders. One of the attributes of Level 5 Leaders was that they *"set up their successors for even greater success in the next generation."* The leaders of the comparison companies (the ones that did not achieve and maintain greatness) often set up their successors for failure. While comparison leaders achieved some measure of success by virtue of competency and force of will, the companies they led were incapable of sustaining success long term. On the other hand, the Level 5 Leaders provided more than just competency; they were legacy leaders – and left a legacy of greatness!

## In Closing

Creating a fully integrated club-wide operations plan is a major undertaking. Though finishing the project will give you an invaluable resource for your club for the remainder of its life and make every person involved a far stronger manager, there is significant value in whatever portion you do complete. As Jim Muehlhausen says, *"The power of an operations plan is that you most likely do NOT understand your business systems at the beginning of the process, but you WILL understand them by the time you are done . . . Doing an operations plan will force you to refine and tighten your processes. It will also point out your 'holes'."*

I encourage those general managers who are serious about creating an operations plan to "damn the torpedoes and full speed ahead." It will be one of the most important and meaningful things you will do in your professional career.

*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.