> This document contains two papers that address the strategic planning process for a member-owned club. The first paper is a generic discussion of the process and the second paper offers a step-by-step approach to preparing a strategic plan.

Strategic Planning Model
for Member-Owned Clubs

Definition of Strategic Planning:

Strategic planning is an ongoing process by which club leaders envision the future of their club and then develop the structures and procedures required to achieve that future. The intent is to create the future, not predict it.

Primary Purposes for Strategic Planning:

- Greater unity on purpose, values, and culture
- Improved selection of board members
- Clarity of General Manager and staff focus
- Member confidence in the future of the club
- Better staff teamwork and higher morale
- Reduced crisis management
- Improved effectiveness (doing right things) and efficiency (doing things right)
- Better staff recruitment and training
- Focused board and staff meetings
- Guidance in branding the club
- Better results from marketing, membership recruiting
- Basis for employee performance reviews

Whose Responsibility is Strategic Planning?

1. The board of directors, representing the members (owners), determines the "organization essentials" (mission, values, goals, etc.) unless they are formalized in the club bylaws. The board also sets broad parameters within which the board wants its General Manager and staff to achieve the mission. The board also identifies the data it needs to monitor progress toward achieving the mission and goals.

2. A planning group, comprising the General Manager, selected board members, and possibly other club members typically drafts a comprehensive plan that takes

into account the organization essentials as well as human and financial resources, legal constraints, partnerships, timing, and the like.

3.   The planning group will also include in the draft plan (1) its recommendation for the type and frequency of data that the board will use to monitor progress and (2) its recommendations on changes in the board's policies that affect planning.

Key Elements of the Strategic Planning Process:

1.   Articulation of the club's vision and mission as defined by the board. The **vision** typically describes a specific future image for the club including the values it intends to maintain, i.e., how the club wants to be known. The vision and values tend to remain constant over time and require no external justification. The **mission** defines the central purpose of the club and the results it intends to achieve, independent of the methods for achieving it. Not all clubs will have a vision statement, but a clearly formed and universally shared mission statement is a critical starting point in the planning process.

2.   Identification of the emerging trends and changes in the club's political, economic, social,. and technological environments that will have the most effect on how the club will function in the future. These factors serve as a major impetus for change.

3.   Clarification of the views of club members, what they believe they have the right to expect from the club and the criteria by which they will judge the board's responsiveness to their needs. The board is the primary link to the club members and its members are representatives of those owners rather than an extension of management.

4.   Selection of key results areas consistent with the mission (i.e., where the club cannot afford to fail if it is to achieve its fundamental purpose). Board and staff formulate broad options, but the board decides these. These are areas of behavior where superior performance by the club will produce outstanding results for the members.

5.   Development of priority goals targeted for implementation. The intent is to develop a series of one, two, and three-year goals consistent with the mission of the club and in response to the needs of the members. Again, the full board must agree to these even if primarily developed by planning group.

6.   Design of strategies and action plans for achieving each goal, including the process that will be used to monitor and evaluate success for both governance work and management. Each goal must have one or more criteria by which success will be measured. These goals will become the basis for the General

Manager's performance evaluation on an annual basis and will be updated over the duration of the planning horizon. They will be documented in the form of board policies in its Board Policies Manual as will the reporting requirements associated with the board's monitoring activities.

7.   Evaluation and reassessment of the key results areas and priority goals is an on-going process. It should (1) inform the agenda for board meetings and staff meetings, (2) be used for evaluating performances at all levels, and (3) be adjusted as appropriate when unforeseen circumstances arise.

Sample Country Club (SCC)
Strategic Plan and Planning Process

The purpose of this paper is assist in communicating basis terms and concepts in club strategic planning via (1) a description of the Strategic Plan itself and (2) a list of the steps in the planning process. Since the plan will contain chapters that will tend to match the steps in the process, these two objectives can be met by rehearsing the steps in the process as follows:

1. Define the SCC mission (*why it exists*)
2. Cast the SCC vision (*what it wants to be*)
3. Describe the current environment in which SCC must operate (*external factors affecting SCC and values of members now and in the future)*
4. Identify strategic issues (*major policy questions or critical challenges*)
5. Test for cultural and mindset impediments *(historical thinking that may preclude certain options for addressing the strategic issues)*
6. Develop strategic options *(ways to address strategic issues)*
7. Establish measurable goals *(translating strategic options into reality)*
8. Assess club readiness (*SWOT analyses of preferred strategic options*)
9. Draft action plan (*recommended course of action*)

Each of these steps is connected with the steps above it, so that the actions recommended in Step 9 can be logically traced back from Step 8 through Step 1. Each of these steps is briefly described below, preceded by a discussion of some basic concepts associated with strategic planning.

Strategic Plan = Decision Document

A strategic plan is a document that describes a clear path from the present to a future date (the planning horizon). As such it provides the basis for on-going decisions and tactical planning. It contains clearly defined long-range and intermediate-range goals and metrics for monitoring performance against those goals. It is a working document that is updated at least annually and more frequently if warranted by changing events or assumptions.

An effective strategic plan focuses present decisions on the future welfare of the organization and avoids "mission creep" by exercising the authority for saying "no." Important decisions typically involve a commitment of resources, which means that when the resources are allocated, some function, facility, or program gets more than another. We want the SCC Strategic Plan to inform its leaders as they make these decisions. A plan that does anything less seldom justifies the effort that goes into its development.

Another way to look at the process is to remember that strategic planning and the plan are not the goals. Strategic planning is a disciplined process for getting to the important decisions and the plan is simply the document that contains these decisions. This mindset helps guard against the fear that by the time the plan is finished, it will be out of date and never used. But, if the mission is constant, meaningful, and shared, there will probably be many different ways to implement it. It is like an estate plan that reflects some core goals and values of a person, but needs to be monitored and modified over the years as the economy, tax policies, and one's net worth and family situation change."

The SCC Planning Process

Step 1: Define SCC Mission – Often a mission is a simple sentence stating the purpose of the club. However, the mission that is envisioned coming out of Step 1 includes more than a simple statement of what you do at SCC. It also includes the:

> ➤ rationale for doing it, i.e., the needs/wants of the customers/members that you are addressing,

> ➤ types of customers/members SCC will serve – golfers, social members, families, etc., and

> ➤ services or functions that you are performing, i.e., SCC's lines of business, e.g., golfing experience, wellness/fitness counseling/training, fine/casual dining, event planning/support, etc.

Step 2: Cast the Vision -- Another way to look at vision is as a statement of identity for SCC. What does SCC want to be known for? The quality of its golf course? Its reputation as a member of the local community? As the venue of choice for events, parties, meetings? The best high-end dining value in the area?

Step #3: Describe Current Environment – This step includes two key analyses:

> ➤ trend analysis [*factors or trends (e.g., economic, social, political) that are likely to influence the ability to carry out the mission*]

> ➤ stakeholder (member) analysis [*the expectations (needs/wants) of members now and into the future*]

Considering the results of these two analyses together will inform questions like:

> ➤ Will golf continue to be the sport of choice among retirees?

➢ How about golf's popularity among younger people?

➢ Is the percent of members who are retirees likely to change?

➢ Is the interest of members in fitness likely to continue?

➢ Are preferences for event venues (holidays, weddings) likely to change?

➢ How are the demographics of the surrounding region likely to change?

Step #4: Identify Strategic Issues – A strategic issue is a major policy question or critical challenge facing an organization. Strategic issues are derived from the analyses in Step #3, i.e., a clear understanding of the emerging trends and changing expectations of the primary stakeholders (members). A strategic issue, for example, may be: *Given the shifting mix of retired families and working families, what programs can be developed to encourage an increase in the number of social memberships?*

Step #5: Test the Cultural Mindsets – In Step #6, we will be formulating options to address the strategic issues. Before we do that, however, we want to identify any real or perceived barricades or hindrances to a certain option or category of options. For example, even though the demographics of the surrounding area will change, which may suggest an option of publishing club material in Spanish, has this practice been resisted in the past? There may well be openness to any and all options, but it is still worth pausing to test for these mindsets.

Step #6: Identify Strategic Options – These options essentially answer the questions/challenges posed in Step #4. For example, creating different categories of social members (fitness, dining, business meetings) might increase the exposure of the club and the overall use of the facilities.

Step #7: Set Measurable Goals – Goals are a translation of an option into a measurable action. For example, if there are different categories of social membership, there may be a goal (in terms of numbers or percent increases) associated with each category.

Step #8: Conduct SWOT Analysis for Each Goal – Some approaches to strategic planning have the SWOT analysis conducted earlier in the process and applied across a broader scale, say, by line of business (e.g., SWOT analysis of SCC golfing experience). By conducting the SWOT analysis after the specific goals are identified, we can be more focused and invested in the results. We know the goals that we want to achieve and we are in essence assessing the readiness of the club to achieve each of these goals.

Step #9: Action Plan – The action plan identifies:

➢ the tasks that are necessary and feasible to achieve the goal
➢ the interrelationship of the tasks (dependence, sequence)
➢ the person or group responsible for each task
➢ the resources necessary to support the task completion

- ➢ the calendar time and person-hours estimated to complete each task