

Directing Directors

Creating a Best Practices Model to Lead Your Club Board

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Managers manage, directors direct, and members enjoy the club. Those are the best practices for club leadership: end of article. Unfortunately, for most of us, that's just not the way it happens. Sometimes, managers don't actually manage; sometimes directors manage; and sometimes, even members manage.

The solution for most clubs is to adopt a best practice model that clearly delineates the roles and responsibilities of the board, committees, and manager. Jerry McCoy, MCM, authored the definitive paper on board governance, "The Directors Guide for Understanding Club Governance" and its associated "The Governance Checklist".

These two publications alone are worth the investment in the CMAA and Premier Club Services.

A host of consultants also provide guidance on crafting the appropriate model for the club. Regardless of the mechanism, it is critical that everyone understand the framework and work within that frame. The problem that stumps most leadership is not the model, but its implementation and stickiness.

The Short-Term Leadership Dilemma

A fundamental of successful leadership is continuity. According to our research, 83 percent of the clubs have presidential terms of two years or less; only 5 percent of respondents report five or more years. In contrast, 69 percent of for-profit corporate boards have a chairperson in place for more than 10 years.

The average term for a club general manager is just over three years. Comparatively, the tenure for other non-profit chief executive officers is about nine years; for-profit CEO tenure is about 12 years.

Clearly, the norm is for a club presidency to be a short-term position. This is reasonable; the club is not a job for members, it's a place of entertainment. However, with a president in position no more than two years and the manager averaging only three, there is little hope of having continuity. These issues support having a model in place that survives the transient nature of club leadership.

Defining Roles

Understanding the club leadership structure is one of the first items in need of clarification. In our research, we used the following definitions:

Club manager normally shares duties with other senior staff, such as the head golf professional and golf course superintendent;

General manager/chief operating officer becomes the board's bridge to the staff and committees, with all department heads reporting to this position;

CEO is similar in duties to the GM/COO, but may hold a board seat.

Clarification can be made by simply using the above definitions and asking the directors to "vote" on the appropriate title. This means an open discussion will eventually get to a consensus on the management framework.

Once the management structure is determined, the next step is to actually outline the various roles and responsibilities for the board, committees and manager. This is easily accomplished, as well. Simply list a number of actions – bylaws, policies, day-to-day operations, budgets, etc. – and ask the directors to denote who has which roles and responsibilities between the GM, board, and committees. When consensus is reached, you will have a document of understanding.

This process may yield a correlated list of roles and responsibilities perfectly matched to the definition of management. More likely, one of two problems may arise after this stage: The consensus is fragmented and no good correlation is established between

agreed-upon roles and responsibilities, or unanimity exists within the boardroom, but not in practice.

For example, in our research, 83 percent of presidents report their managers are GM/COO or CEO. However, 91 percent of the managers responding called themselves GM/COO or CEO. A similar divide is found between presidents and GMs regarding club managers, with 16 percent of presidents reporting that their managers are defined as club manager and only 9 percent of the managers reporting the same definition.

A failure to understand the role may lead to significant issues. From our survey, we learned that the top reason presidents gave for termination was incompetence.

Incompetence can easily be the byproduct of misunderstanding, particularly when the basic role of the manager is misunderstood.

In particular, when asked in the survey about hiring or terminating a staff member other than the GM, presidents and managers agreed that the responsibility fell solely to the manager. However, in a follow-up controlling question, when specifically asked if formal board approval is required in hiring or terminating a senior employee, 69 percent of the presidents said board approval was necessary. Only 48 percent of the managers said that it was.

What can be done about these two problems? First and foremost is to understand yourself. To influence a group of wealthy, successful individuals who feel compelled to know everything and be part of the process, a GM must have self-control and self-awareness. Simply put, we need to know what hot buttons set us off¹ so that we can either stay away from those situations or at least minimize their impact on us.²

Regardless of the situation, losing control and disrespecting a director will not go well for the manager.

Once we are under control, patience is a virtue. Terra Waldron, CCM, CCE of Desert Highlands took more than two years to compile her board policy manual (BPM) which is the ultimate document for best practices. She was only able to do so because she had a president whom she convinced of its strategic value. Waldron is still implementing the BPM and is, with the support of the subsequent president, vigilant on keeping it relevant.

This brings up another point: Directors don't like the direct approach. Directors are part of an elite group of which the manager is most likely not involved. Most of us are recruited to the club and specifically paid to perform a job; we tend not to be in the same social circles as our members outside the club. For the minority – and an individual is normally the minority – to influence a majority, some form of acceptance is

¹ macdonaldniven.blogspot.com, *The Hijacking*

² macdonaldniven.blogspot.com, *Control Emotions to Improve Communications*

needed³. Normally this occurs through finding an ally, Waldron got the support of the president, who then was able to help sell the BPM to the other directors.

Lines of Communication

Members like to talk about their club, and board directors are no exception. We all know of the first tee conversations between members and directors: “How’re the greens running today? Do you have them as fast as Wednesday? I thought I saw some disease out there on number four.”

Directors think they are expected to know all the details of the operations and unfortunately, are prone to answer whether they know the answer or not. This *illusion of knowledge* is very natural. It’s our tendency to think we know stuff that we don’t actually know and to be confident about knowing it. It’s just part of being human.

As managers, the best thing we can do is to communicate our plans to them early and often because our directors can’t help but answer questions; helping to ensure that they are knowledgeable will aid in your acceptance as a respected person to whom they can count on for solid direction.

³ macdonaldniven.blogspot.com, *Group Dynamics*

Be vigilant about the governance model. With the transient nature of clubs, it's usually the third president after your hiring when things start to slip. Confirm the model at least annually, and obtain specific buy-in and understanding from the directors.

Board leadership is extremely important; get it right and you'll have a long, fulfilling career. Get it wrong and it's catastrophic.

Establishing and Maintaining a Best Practices Model

1. Create an agreed-upon governance framework, clarifying the management frame and who has what roles and responsibilities.
2. Learn self-awareness and what makes you tick.
3. Be patient and persistent.
4. Form allies; do not take directors on directly.
5. Communicate early and often and help minimize the "illusion of knowledge."
6. Confirm the governance model at least annually.

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