

Down With Micromanagers...

Private Clubs Need Visionaries!

MICROMANAGEMENT, AS WE'VE COME TO UNDERSTAND, IS THE SCOURGE OF PRIVATE CLUBS AND GENERAL MANAGERS AND STAFF, IN PARTICULAR.

And we may have been feeling a false sense of security, a mistaken belief, or perception that micromanagement by boards of directors, directors and some members was fading into history.

As we've discovered nothing is further from the truth. In Part I of this series, the general consensus is that boards of directors still stick their noses into the daily business affairs of private clubs...too often and too far.

Boards micromanage for myriad reasons. For example, the board might have no sense of what its role is within the organization...there are no clear job descriptions. And accompanying this is the fact that boards often have no clear definition of what decisions belong to staff and which belong to the board.

Couple all this with the fact that many board members are really involved in day-to-day management with their own jobs, whether it's as an owner or a business or working for a major corporation. In their business, they "do" what's necessary to get a job done, just like general managers do in private clubs. Only thing, they want to continue "doing" at their club.

That concept of "doing" is tough for some people to give up!

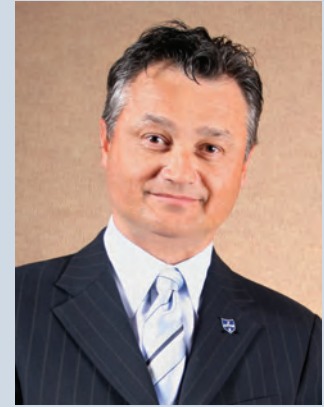
And how many of us deal with the fear factor...fear that if we don't do the "job" no one else will or can...or they can't do it as right or as well. So micromanagers keep sticking their hands into every sand pile they find.

But, for club to survive, this continuing need to be in control must change allowing professional managers and staff to run the business based on policy decisions by the board of directors.

So how can clubs (paid management and volunteer boards) make this happen? What is the role of the board of directors? To Jack Ruddick, general manager, Wiltwyck Golf Club, Kingston, NY it's clear..."provide leadership and vision for the club. The board develops policy and strategic plans for the club. The leadership of the board must be involved and supportive to overcome micromanaging board members.

"Several years ago I had a president who wanted an executive session at every meeting," Ruddick explained. "Usually items were discussed that I should have input on. I went to a Dick Kopplin seminar (who has written often in BoardRoom on the hazards of micromanaging) and discussed this with him.

"His advice: Put it on the next executive committee agenda, put on my



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game face, and then explain to the committee that:

- It's very difficult managing a modern private club
- To be successful we need a partnership between the board and management
- To develop this partnership we need mutual trust, respect and open frank communication
- None of these successful items happen when the board goes into executive session.

"By the time I finished explaining this, all committee members had their heads down and immediately stated that I was correct and apologized. We developed a policy that an executive session would only be called when the topic was my performance or compensation," Ruddick related.

Jim Singerling, CEO of the Club Managers Association of America, is succinct in his description of the role of the board. "Interview candidates for a position and allow themselves and the club to be interviewed by the candidates for the position." In other words, hands off the daily stuff!

In Frank Vain's view, an effective board is a group bringing a wealth of

skills, experiences and diversity of backgrounds as they work to provide overall guidance and direction while maintaining the health and well being of the club.

“Good boards spend their time considering what needs to happen next, rather than reacting to what has already happened. This quote from the esteemed consultant John Gardner captures for me the key elements of a board’s role: ‘To have a sense of where the organization is going and must go is the core and essence of the very best leadership.’

“Unfortunately, the board’s meeting agenda and conversation is more often focused on looking back as opposed to looking ahead,” opined Vain, president of the St. Louis, MO-based McMahon Associates

There are ways and means to overcome micromanaging starting with clearly defined goals.

“Clearly define the purpose of the club and what the club is going to provide its members,” Singerling expounded. “Children’s activities - mediocre second to none? Food quality - mediocre or second to none? Golf course – fast greens or average speed?

“Clearly state the intent of the club to provide the necessary resources, financial and human, to accomplish these standards. It’s no ones responsibility but the board and the membership to provide both human and financial resources,” he commented.

“What does management do? Assure that none of the resources provided by the club members and the board are wasted or applied frivolously. Gain respect and confidence through performance. Be sure that the entire staff understands the level of service expected, and that goes for the pot-washer all the way to the CFO.”

For Al Kinkle, chief operating officer, Lexington Country Club, Fort Myers, FL the key to providing solutions is “communication...listen to the board, be proactive and have a good plan in writing.” Management, he feels, must be proactive, detail-oriented and proficient in listening, facilitating and following through. “Once they understand they have a strong leader in place, they will get out of the way.”

“The club should provide good job descriptions for board members, management should hold an annual orientation for board members and committees to clearly define the decision making process of the board,” Kinkle explained.

“And the general manager must reinforce the job description of each committee and emphasize that all committees serve in a ‘advisory’ capacity only. It’s my belief that all committees should be advisory, After all why do they call us Chief Operating Officers,” Kinkle opined.

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To Kinkle this means “management takes responsibility for all decisions, both good and bad. Lead effectively. Have a good attitude. Don't be afraid to make tough decisions. Be reasonable. Be firm and be honest.”

Vain's opinion is that “things are getting better. Many clubs now have an annual retreat where they identify issues and set goals for the year ahead. This corrects one of the greatest failings of club boards, which is the lack of self-assessment. If you don't set goals at the start of the year, you have no yardstick to measure by at the end of the year.

“This sort of session identifies important issues. The written report that comes out of this meeting can then serve to keep the leaders on track for the balance of the year. It's my opinion

management. “Reduce the number of board members if there are more than 12, because micromanagement stems from too many people at the board table.

“And all board members should chair a committee. This gives each director a full plate. They chair their committee at a meeting once a month and then they attend the board meeting. This leaves less time for meddling,” he expounded.

The chief operating office governance system, whereby the board sets policy and the COO “manages” the club just might be the framework for success, but “only if the resources are made available. This is truly a team effort,” exclaimed Singerling. “A lack of effort on either front will render failure and finger-pointing as the only achievement.”

The COO system, in Kinkle's case, prevents micromanagement. “Our board of directors doesn't interfere with the

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that most board members do not want to be micromanagers, it's just that they are driven, successful people that are going to rush in to fill a gap in leadership if they perceive there is one.”

Vain has some ideas on how to ward off micromanagement.

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“The meeting...identifies key issues for the club. The action plans established to address these key issues then appear on the board agenda each month and the responsible director is expected to offer a report on recent and upcoming actions. A highlight version of the plan is presented at the annual member meeting at the start of the year to help the members understand what the board is working on and further make the board responsible for executing the plan.

“Since the club has adopted this practice about four years ago, member satisfaction has increased significantly – as they can verify because they conduct an annual survey of the members to test this. Now this is leadership at work.”

Vain suggests other practical steps can help prevent micro-

day-to-day operations of the club. We believe this is because of the good understanding by the board of the COO concept and frequent communication to the board and membership. Communications need to be very transparent. We publish a weekly email newsletter, which details all of the events and other newsworthy items happening at the club. I have an open-door policy.”

All the same, there are times when a general manager feels threatened by a board that insists on micromanaging. Our experts are quick with suggestions for a counter attack.

“They need to get the board to start acting like a board and cut this off quickly,” Vain advises. “The important part of this is that this is not simply a political issue. I think some managers attempt to go after this by getting the other leaders to discipline these bad actors. The real issue is structural and organizational. You need to correct it by going after these issues, not just talk about acting differently.”

Kinkle agrees. “Board members must be reminded of what their duties are. “The manager might want to enlist support from the board president or another board member to help the micromanager understand that the general manager is the expert and, because he knows all the facts, is the most qualified to handle the particular situation.”

Kinkle offers this example.

“A member will bypass the general manager and speak direct-

ly to a board member about an operational situation. It's essential for the board member to refer that member back to the general manager. The board should only become involved in situations that warrant board intervention and are clearly stated."

Kinkle elaborated with this communication between one of his board members and a member: *"I think it's time for me to get out of the middle until you and the general manager have had a chance to sit down and discuss this matter. I'm sure he will be happy to do that. One thing we (the board) tries very hard not to do is micromanage the management and staff on a day to day basis, as it is not healthy for them to have to always be looking behind their backs.*

"If they are out of line or off base, they will hear from us. They do make mistakes, and so do we, but I believe we all have the best interests of the club at heart, as I'm sure you do also. Let's you and I discuss this again after you have talked with the general manager."

A key to success, Vain suggests, is ensuring that the board of directors looks ahead...in all times, good and bad.

"In order to be effective, the board...should be spending a majority of its time planning for the future. Leaders that make a lasting impact on their club do so because they supply it with vision and a sense of purpose, not because they use their board service to address a specific issue that was a hot button for them.

"While it's important that the board continuously moni-

their volunteer position."

"In turn, the directors have the time and energy to create a planning culture, one that takes stock of where the club has been, where it is today and where it needs to go in the future," Vain concluded.

PUBLISHER'S FINAL THOUGHTS

Let's make one point very clear. Private clubs don't need micromanagers, but they do need visionaries, enlightened boards and policy makers willing to peer into the future.

Boards need a sense of direction...and need to provide a direction. Boards need to ask:

- What's our role in this organization?
- What do members want this club to be?
- How do we as a board get us there?

That's the reason d'être for the clubs in the first place...to be what its members want it to be – a community of like-minded people providing services the community wants.

Boards need to lead. Boards need to know what they're not doing but should be, and that's a great reason for an annual retreat – to help board members better understand their jobs – led by an experienced outside facilitator, who can keep discussions relevant and focused.

Fears, both personal and of the board, generally must be allayed. Boards must not fear management is always going to "screw up." Boards must let go of unsecure feelings, place its trust in the management, realizing there isn't any real reason for concerns if management pays heed to board policies.

tor the vital signs of the club's operations, able leadership is not about looking in the rear view mirror, it's about looking ahead at what's down the road.

"The first step toward creating a meaningful and sustainable plan for the future is to establish an organizational structure that erects a firewall between governance and management.

"When board members function as governors and managers manage, there is a clearer understanding of what it important to the overall good of the organization. The right people are responsible for the things that can and should be under their control and it creates an environment in which long range plans can grow and flourish.

"Adopting an organizational structure like the chief operating officer or general manager concepts espoused by the Club Managers Association of America and others, frees the board from time consuming management and operational roles that they are typically ill-suited to perform because of

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Private club boards need to be proactive in cutting off micromanagers, and not let them take control. If you've got accountants on the board, don't let them be your accountant. They're on the board to govern, not oversee the club's finances.

Boards must also be proactive in looking at the future, making sound decisions that will benefit the club of the future. Therein lies the future of private clubs.**BR**

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