

WINNING **STRATEGIES**

Providing A Unified Front

Solving the Most Difficult Governance Problem

One Board member made a very astute statement at a recent strategic planning session. He noted “I imagine you don’t get called in very much by clubs when everything is working perfectly.” How right he was. There are of course many great club organizations run by visionary GM/COOs that seek outside expertise as part of the normal course of running their club. They consider this as preventative maintenance. Like giving your car an oil change. They do it as a matter of fact to insure the Board and staff stay on top of their game.

Unfortunately this is not most often the case. Normally we get the call when there are problems or issues of concern. These clubs find they have a shifting foundation. When a building has foundation problems it undermines the complete structure. You get cracks in the walls, possible tilting or joint separation. When club Boards radically change direction every few years the club suffers from structural damage to the organization.

This may manifest itself in a variety of ways including membership loss, service quality variances, management and staff turnover or just division within the membership ranks. In-fighting within powerful membership groups can be most destructive and cause both damage inside the club environment and damage to the club image in outside community.

It is interesting to note that over half of my client contacts are random calls from club Board members. They are normally frustrated with the present governance situation and are looking for help. I ask myself “Where is the manager?” Why isn’t he or she calling? Who is driving the bus? The answer to this question is that most of the time he or she has been straight-jacketed. They find they are caught between two sets of constituencies where taking sides can be deadly. They normally are the happiest to get outside assistance.

Once I begin working with a club we find that division has normally been caused by financial issues from competition, an inability to maintain membership levels or the requirement for major capital investment contributions from the membership. This is where weak leadership and bad board members exacerbate the problem. The most common issue is a lack of a unified front for all Board decisions. Yes, differences of opinion will occur within the most stable groups. The important point is that after all discussion the Board offers a consensus position to the membership.

Maintaining a Unified Front

More than one club has the policy of taking meticulous minutes identifying the position of individual directors and then including exact vote counts by individual. This is a horrible practice. Normally there are times where directors on two sides of an issue debate their positions with passion. It is healthy for an organization to have an open exchange of ideas. However, once a vote has been taken, and a direction set by a majority of the Board, then it is the responsibility of each director to help make the decision a positive influence on the club.

Certainly we would expect that there would be differences of opinion and extensive discussion on controversial issues. The Board minutes should reflect general discussion topics but never specific quotes from individual Board members. Preliminary votes should be taken once the Board has come down on one side of the issue, say a 6 to 3 vote, then the minutes would reflect a passage of the policy or directive without a specific vote count. As I tell all Board members – you are going to win some and lose some. However, when you leave the Boardroom it is unanimous.

It is important to watch out for the *Homeowners Association* mentality that is creeping into some clubs. This arises when members take over the club from that developer after many years of perceiving that they had been taken advantage of and put upon. There was usually not enough communication about what the developer was doing. During this time they have been running the Homeowners Association and seemingly fighting continuously with the developer and believing they have been left in the dark on critical decisions affecting them. Some members believe the process should be more open and that all members should be allowed to attend Board meetings.

Such a system will only cause controversy within the club. There is no way a Board can provide a unified front if members know every word that was said and just how each member voted. This is not to say that a Board member cannot request that their vote in opposition to an issue be placed in the minutes. However, it should not be common practice

Maintaining Confidentiality

The worst Board member is the one that goes out and undermines his fellow Board members within the membership. Let's call our bad Board member Sam. An example may be that Sam meets another member named Joe. Joe asks how in the world the Board could pass that silly policy. Bad Sam says "I agree with you totally. I was dead against that and tried to talk them in to doing just the opposite." This type of Board member is a destructive force that causes confrontation and division.

What happens after such a conversation. Joe talks to all his friends and says Sam told me that the Board made a wrong decision. He said that it was he and Sally and Carl that opposed the program and that Jim was promoting it and was able to convince the others. So now there is this whole constituency that doesn't like Jim. This all happened because Sam did not provide a united front within the membership and support his fellow Board members. He did not abdicate his personal interests that those of the Board.

What is the right answer? What if Sam had been a really good Board member? The conversation may have gone like this, “Joe I understand your point of view completely. However, the Board thoroughly discussed the issue from all sides. The Board believes this policy is in the best interest of the club. As a Board member it is my job to do what I can to make it successful.” The good Board member abdicates his point of view to the majority after thorough discussion and vote.

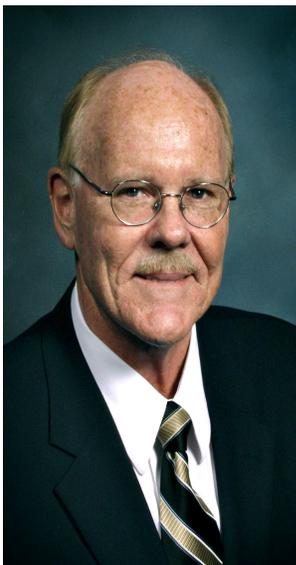
How common is this scenario. It is way to common. I once had a Board member tell mew that while driving home from the Board meeting he got a call on his cell phone from a member wanting to discuss something that just happened at he meeting. This guy had already gotten a call from another Board member and he was following up. Talk about a rumor mill. This is a terrible situation and very destructive to any organization.

Therefore, along with maintaining a unified front it is also appropriate to respect the confidentiality of Board conversations. What happens in the Board should stay in the Board. It is inappropriate to piecemeal out bits of information out of context. Providing a unified front must include a degree of reasonable confidentiality.

Available Resources

It is not always necessary to hire a consultant to solve this kind of problem. There are many good resources the GM and Club President can use as organizational tools for the Board. One such resource is [The Director’s Guide for Understanding Club Governance](#), a publication of CMAA’s Premier Club Services available on line. This handbook can provide excellent examples for club Boards. It details a variety of best practices including confidentiality and the unified front concept.

Remember it is best to fix that shifting foundation now so the club can make real progress to the difficult issues facing our industry today.



Jerry N. McCoy, MCM, is the President of Clubwise, LLC, a consulting firm specializing in strategic planning, master planning, operational audits and governance issues. He is the author of [The Director’s Guide for Understanding Club Governance](#), [The Governance Checklist](#) and [The Board Resource Manual](#) all of which are publications of CMAA’s Premier Club Services®, the new [Strategic Management Handbook](#) for private clubs and is an extensive contributor to the new CMAA [Facilities and Amenities Texts Volume I & II](#) which are available through Bookmart. He can be reached at www.clubwiseconsulting.com or CMAAMCM@msn.com