

“The Ideal Board of Directors”

The Publishers Perspective from Tom Finan in the August, 2003 issue of CM is must reading for anyone who has decided to make club management a career. Tom's comments on leadership are right on target. However, for great leaders to succeed, or even want-to-be leaders to grow, the organization must have an educated and supportive group of unpaid volunteer leaders as part of the board of directors.

Visionary representatives within our industry have promoted the GM/COO concept as the way for clubs to advance past mediocre authority models and develop a clear management structure that can take the club to the next level. Tom sites examples of great clubs who seem to get it right year after year. But our industry has a long way to go. There are too many examples of good managers, trying to provide leadership, who are stymied at every turn by less than effective boards and committees.

For COO leadership to become the standard expected in clubs then the clubs themselves must adopt sound practices of governance that will support this type of leadership style. What are sound governance practices? The GM/COO has access to a myriad of materials from a variety of associations and consultants associated with the industry. This information has been drawn from successful corporate business models using both for-profit and non-profit examples.

Academics and operating experts have offered different systematic approaches for dealing with governance issues. Many of these experts are making progress within individual clubs. However, even for the best experts to make progress towards better governance, it requires a board of directors who are willing to be introspective.

The ideal club board is - one that understands their role in evaluation and oversight. Not only is the board required to evaluate the operations of the organization, they also realize the need to evaluate their own performance. The problem has been that for evaluation to be effective it is traditionally accomplished using an outside expert/facilitator. The GM/COO certainly is not positioned politically to expose, and then offer solutions, to governance weaknesses within the club. They must walk a fine line that provides resources and guidance to leaders without having the real power to facilitate outcomes.

Tom mentions that in recent years the industry has collaborated well in promoting effective management structures involving COO leadership that, when adopted, are causing real progress to occur in certain clubs. Now Premier Club Services (PCS) has addressed the issue of helping managers improve governance practices so that even more clubs will be receptive to true COO leaders. The Director's Guide for Understanding Club Governance is a comprehensive review of governance best practices. Many of these practices are standard operating

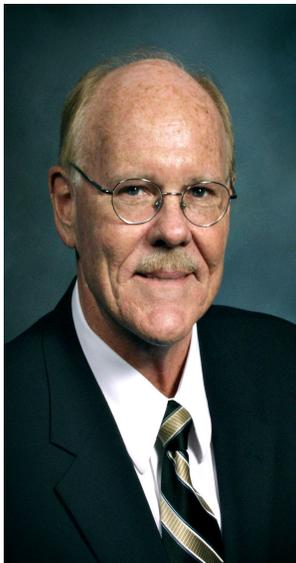
procedures within the platinum clubs we regularly examine and hold up as examples to imitate.

The guide can be used to educate volunteer leaders and then provide them with a standardized process of examining sound governance practices. The Guide comes with a Governance Checklist so boards can determine which practices will work best at their club. As the self-evaluation takes place, discussion of all major issues will result. Some practices may not be adopted. However, participating in a f

Once boards become more introspective they will become better. The Guide and Checklist will afford a way to promote the process of better governance in clubs. With better governance will come more opportunities for managers to take charge as a true COO leader.

Tom wrote that "Not every manager is ready to step up to this concept of leadership" and he said it in a very gracious way. As governance practices in clubs evolve to a more effective presence in the organization, unpaid volunteer leaders may be less tolerant of those who cannot take charge as leaders. Stepping up may not be an option in the future, it may be a requirement.

Jerry McCoy, MCM is the President of Clubwise Consulting. Mr. McCoy was commissioned by the Club Managers Association of America's Premier Club Services department to author *The Director's Guide for Understanding Club Governance*, *Governance Checklist* and *Board Resource Manual*. These resources are included as part of the 2003-2004 Premier Club Services subscription package. They can also be purchased individually by visiting the CMAA online marketplace at www.cmaa.org/bookmart.



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