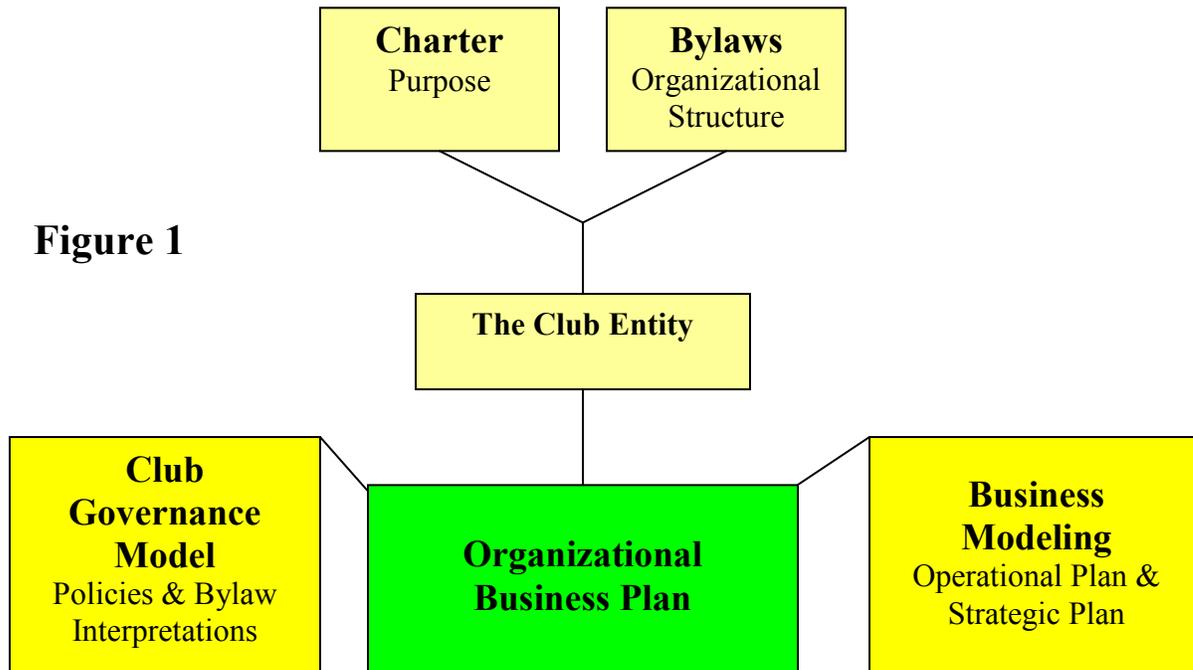


# Strategic Management

## *Tracking Results and Managing Progress*

If you were to start a business today the first item a financial institution would want to see is the company business plan. The business plan includes the structure, purpose, organization, management, product and service package as well as marketing and communication strategies. In 501(c)(7) clubs the structure and purpose of the organization is identified in the charter. The bylaws detail the organization and management structure. How governance works is included in multiple articles of the bylaws that establish an authority and responsibility grid. The balance of the business plan elements are summarized in operational and strategic plans as well as Board of Director's interpretations of policies and procedures included in a Board procedures manual.



Successful clubs have separated themselves by their ability to formulate, implement and then evaluate decisions that enable them to meet their objectives both in the short term operationally and in the long term strategically. This process is called strategic management and is detailed in the book Strategic Management by F. David, 1989 as ...the process of specifying the organization's objectives, developing policies and plans to achieve these objectives, and allocating resources to implement the policies and plan.

Making the organization function requires development of the operational plan and a determination of the flow of authority and accountability. If it is to function well it also needs a strategic plan that generates strategic initiatives. There must be a process in place

for modifying and updating the operational plan, strategic plan and the governance model. The concept is that this process is delineated in a living document to track progress surrounding operational and strategic objectives.

Once an effective structure for the plan is in place new initiatives goals and objectives will be prioritized annually. Managing these goals and objectives is the highest form of managerial activity. The business plan initiatives are usually formulated by the Board and performed by the COO and senior staff. A reporting format becomes the key for each club to track successes and failures throughout the organization. This can be accomplished through a business plan management document.

**Figure 2**



The design of the business plan management document detailed above has a reporting format that includes;

- Mission overview of each area
- Ability to detail action items within each area
- A coding system identifying the area and priority
- A time line to monitor progress on a monthly or quarterly basis
- A notation whether action items tie back to staff performance evaluations.
- An ability to divide up the document so that separate portions can be used within individual committees
- A color code option identifying status of completion
  - Green – Ongoing
  - Yellow – Behind schedule
  - Red – Stopped
  - Blue – Completed

It is obvious that as time passes individual action items, be they operational, organizational or strategic, will be completed or may run into difficulty. An executive summary portion of the document tracks those areas of concern. Once an item is completed it is coded blue for completed. There is nothing to say that as new items requiring action are identified they can be added to the management document.

At the end of each year the management document will provide a clear and organized view of all completed action items whether operational or strategic. At the annual business planning meeting in the beginning of the year the items left over will roll over to the next year. They could possibly be modified or left as written. New strategic and operational items will be added forming the plan for the upcoming year.

Once the original document is developed it will become a template for future years. Each operational and strategic section is reviewed annually regarding mission fulfillment. Annual visions and individual staff focus statements are added as required. Each committee and staff member representing a department can use their portion of the plan as a key agenda item. The general manager can monitor the total organization through the plan management document. The Board will receive a clear picture of the progress being made as set out by the GM. They will also have a specific understanding of the movement of the organization strategically.

Today managers are savvier and club boards more effective. Planning is playing a crucial role in organizational improvement. However, it is still amazing how many hours of planning take place compared to the time committed to monitoring and then managing progress. It is great to plan but if you do not have a system to track the plan then the potential for failure dramatically increases.

The Club Business Plan Model presented here provides the continuity between planning and results. The hospitality business is about the details. It is great to train someone to do a job but it is better if you then coach them to success. Managing your

operational and strategic initiatives would seem to be an automatic response. The goal of this model is to provide a system that tracks changes, monitors progress and gets results in a timely manner.

For more information on strategic management or to get a copy of the full manuscript contact call 770-248-1047 or email at [cmaamcm@msn.com](mailto:cmaamcm@msn.com).

*Jerry McCoy, MCM is a graduate of Michigan State University has over 30 years experience in the club industry. He received his Master Club Manager designation in 1995. McCoy's MCM monograph The Value of Contract Documents in Club Construction and Renovation is the only definitive work of its kind on construction that is targeted at club managers. Through the years he has been a lecturer, teacher, and adjunct professor in club operations. In 2003 Mr. McCoy was commissioned by Premier Club Services (PCS) to develop The Board Resource Manual, The Director's Guide for Understanding Club Governance and the Governance Checklist. These materials have been distributed to over 900 PCS clubs and are for sale through CMAA's Bookmart.*