

Winning Strategies

Uncontested Elections

Insuring 12 Good People around the Table



There have been many opportunities for governance reviews over the years with club boards as part of strategic planning exercises, annual retreats or operating audit assignments. During this fact-finding process we normally complete an evaluation of the present governance practices as compared to 60 industry best practices of member owned private clubs. These practices were derived from The Director's Guide for Understanding Club Governance.

The guide is a handbook for club directors detailing how governance should work in a private club environment. It has a companion piece called The Governance Checklist. The Checklist can be used for a governance audit by the club and then adoption of the appropriate best practices. Not every practice identified in the Guide may be right for every club. However, we have found that most clubs adopt between 45 and the full 60 best practices.

More often than not the clubs have a tendency to avoid those best practices that may require a bylaws change. Most boards want to avoid this process as it can be contentious. A lot of clubs are faced with trust issues between the leadership and members. Over the years boards have made difficult decisions that everyone may not have agreed with. These decisions have a history that members don't forget.

It is interesting that many members believe the club is a democracy. One person and one vote. Every member doesn't want to vote on everything. They just want to vote on those items that impact them. Actually clubs are not democracies. They are similar to representative republics. They have elected board representatives to make decisions for them. Normally there are only a few limitations regarding decisions within the club that are reserved for a membership vote. The bylaws control those areas. Therefore, when there is any consideration for changing the bylaws, red flags go up within certain segments of the members as if the board was trying a power grab.

This concept is particularly relevant when it comes to the system for electing directors. Many clubs have contested elections where there are more than one candidate nominated per opening on the board. Over the past decade or more almost every consultant in the industry will tell you that this practice is not ideal for clubs. Many times the best individuals will not run for board service if they have an opportunity to lose in front of

their peers. Club elections can become popularity contests with no real understanding of who really has the traits to be the best person for board service. It is a 'best practice' to only nominate one candidate for one available opening to insure the club can get the best candidates.

The responsibility to insure the best candidates falls on the nominating committee and the existing board to vet individuals throughout the year. A strong and active nominating committee is paramount to insuring a quality list of nominees. Unfortunately some members believe this process puts too much power in the hands of the existing leaders and does not provide the members with the ability to elect who they want for board service. This is true even if there is a process for nominations via petition.

These issues have permeated the club industry because in so many clubs there is a poor member communication strategy. The leadership has not based their decision making process on the solicitation of member opinion and a leadership response to those opinions with clear reasons for the direction that was taken. To that end a club must provide a plan, then manage that plan and report to the membership the successes and failures on a regular basis. This is true regarding the philosophical makeup of the Board and how it makes decisions in the best interest of the organization as a whole. Not everyone will agree on everything. However, decisions must show a logical process.

It takes real leadership of a highly respected President or group of directors to address this issue and be successful in making the change. However, the organization will be better off for that leadership if they are successful in moving to uncontested elections.

The arguments in favor of contested elections have infested the Club Managers Association of America for decades. It is surprising in relation to the fact that the association has been firmly entrenched in the CEO concept for years. With great paid leadership and staff, why would the association need contested elections as if the membership wanted to get nominees on the Board to make changes to something that was not broken but has only gotten better? I can still hear the arguments from respected members against moving the process from contested elections.

It was a breath of fresh air at this past national conference when CMAA suggested a change to uncontested elections. This will provide regions of the country to vet and put forward the most respected members in their area. CMAA will get the best people on the Board and there will be no more losers. Premier Club Services through the Director's Guide has been promoting this best practice since 2003. Congratulations to the CMAA leadership for getting it right.

“These are my principles....If you don't like them I have others. Groucho Marx”

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