

# Winning Strategies

---

## *The State of the Club Industry*

### **‘Watch Out for the *Bemkey*’**

In this issue of Boardroom writers will be discussing the “State of the Club Industry” from a variety of perspectives, many of which include big picture issues driven by economic conditions. Things like membership attrition, financial stability and dealing with the competition are all on the forefront of the problems clubs must address. My concern for our industry is not as flashy but can still be **THE** underlying problem in the club. That is the *Bemkey*.

The Bemkey is ‘the **Board Member that Knows Everything**’ abbreviated BMKE and pronounced Bemkey. Now you would assume that having someone who knows everything available to you would be a good thing. Any problem that comes along can be easily solved by someone who knows everything. No problem, just ask them. Unfortunately there is a downside as the traits of these individuals don’t necessarily make for seamless governance.

If we look at the common traits of Bemkeys, we may find some or all of the following:

1. **PRESONAL AGENDAS** - They normally have a personal agenda to change something they don’t like about the club. They can’t understand why their agenda item has not been a high priority in the past and it is their job to get it done.
2. **NEED FOR MORE STUDY** - They always want more study or analysis about changes. This is especially true if the general opinion is contradictory to their own position. They can twist statistics with the best of them and always have a new perspective on a position that needs to be studied before the decision is made.
3. **SERVICE ISSUES** - From the Bemkey’s perspective, things are never as good as they should be. Service is poor or inconsistent. Finances are not allocated correctly. There is always room to improve service while cutting expenses.
4. **MANAGEMENT PROBLEMS** - Much of the club’s problems stem from management’s ineptitude. The Bemkey has it in for a specific department head or the GM or both. They believe if we can just get rid of these individuals and get someone who knows how to do the job then everything will be great.
5. **LACK OF PRESONAL PARTICIPATION** – If the Bemkey has not participated in the decision then it is probably faulty. They will always find something wrong with whatever position is presented unless they are presenting their own position.
6. **THE SLOWDOWN APPROACH** – Whenever there is an issue that is up for decision they will use the slowdown approach. A Bemkey has an opinion or at least

something to say about everything. This slows down the process and causes the Board to spend more time to get less done.

7. **ANTI MAJOR CAP X** – The Bemkey is normally a status quo person when it comes to major capital expenditures such as renovations or expansion. They believe everything can be improved by management. Mostly, but not always, they work against any major expenditure pretending to represent the membership.

8. **BOARD VOTES REQUIRED**– A Bemkey wants the Board to vote on everything. They disagree with most decisions that were not thoroughly vetted by the Board.

What are we looking for in a good Board member? Obviously it is not a Bemkey! If we refer to The Director's Guide for Understanding Club Governance we find a quote from the book Club Board Members Guide by John L. Carroll. He writes that the best candidates for a club Board have the following characteristics:

- A person that can be trusted to do the right thing without regard for external pressures or self interest
- Has clearly demonstrated the ability to work with others
- An individual with leadership skills who can accept criticism
- A well rounded person who is respected by their fellow members

Another quote from the Guide by Gerald Hurley gives us a list of cautions to avoid when selecting the best board candidates. He writes:

- Be wary of people with time on their hands. Chances are high they will get into operations.
- Avoid critics. Those are people who come in after the battle is over and shoot the wounded.
- Don't invite prima donnas. If they think they are doing you a favor they will be worse than useless.
- Watch out for activists whose focus is too narrow. Their efforts would be better utilized on advisory or special committees.

Sounds like some Bemkeys we know, doesn't it? Let me be perfectly clear. There are many great clubs with sound management and exceptional volunteer leaders doing wonderful jobs. However, the blight of our industry is still the Bemkey. Too often, in too many clubs, reasonable board members and quality managers must deal with Bemkeys everyday.

So what should be done? There are two important things to address. One is reactive and the other is proactive. From a reactive perspective, the club President must address the Bemkey problem firmly. Only with clear leadership at the top can the Bemkey be controlled. It may even require a tough conversation with the Bemkey threatening expulsion from the Board if that is an option.

On the proactive side, the club must have a strong nominating committee in place that has thoroughly vetted all candidates. Vetting means reviewing how the club is governed

prior to nominating a candidate and requiring that candidate to buy-in to the system before they are placed on the ballot. Hopefully the club is nominating only one person for each open board slot. The more candidates the club has to nominate, the harder it is to find good board members and easier it is for a Bemkey to slip through.

There is one last issue. We would hope and pray that the Bemkey is not the president. If that is the case, then we have enough problems for another complete article.

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](http://www.clubwiseconsulting.com) or [CMAAMCM@msn.com](mailto:CMAAMCM@msn.com)