

# **Winning Strategies – Boardroom 3-13**

## **Comprehensive Strategic Planning**

### ***Fail to Plan / Plan to Fail***

**If you don't know where you are going, you will wind up somewhere else. – Yogi Berra**

Too often strategic planning is done with agenda items in mind. Less often it is done as part of an ongoing process to develop a 'living document' that drives all aspects of the club. For those clubs interested in spending the time and resources necessary to generate a comprehensive program please note the following process.

The most critical phase is general fact-finding. Once completed the club can focus on developing a plan that can generate a key strategic initiatives. The results will define programs, services and facility needs in the long term.

## **Phase I – Organization and Fact-Finding**

### **1. Organizational Meeting**

- Review the Existing Mission / Vision and Core Values.
- Revisit the Club's Strategic Goals.
- Generate a Leadership Strategy Survey – develop a survey on critical strategic issues to be filled out by the Strategic Planning Committee, Club Board of Directors and six to eight of the immediate past presidents to determine consensus and identify issues of difference that will provide key direction on the development of program solutions. This would include a discussion of the history of club governance.
- Identify traditions that are sacrosanct or are up for revision.
- Establish Teams for the various fact-finding and project work streams.

### **2. Design and Implementation of a Comprehensive Membership Survey.**

This part of the process is a critical element in much of the future decision making in most of the work streams. The survey will identify members' facility and service concerns as well as focus in on what the members believe are high value aspects of the club. We will ask additional questions on lifestyle priorities, member sponsorship issues, financial considerations, strategic brand management direction and overall satisfaction levels. It will have online and hard copy options.

The survey should remain a separate project and not directly associated with any specific work stream, but a complement to all work streams. Because of the time delay in generating survey results, it should be the first item on the agenda and development should begin as a first priority.

***The following items 3 – 9 are the general part of the fact-finding process for the process and should be scheduled concurrently.***

### **3. Operational and Facilities Audit**

Undertake a comprehensive operational audit that includes all operational, facilities, and finance team members. Items for review are sense of arrival, image, product and service quality, financial impact, potential revenue enhancements, or efficiencies as they might apply to the overall members' expectations, and the organizational brand the club wishes to market to potential members.

This effort will help provide direction in the facilities work stream master planning, the membership work stream regarding marketing, value, and competition, and the financial work stream regarding bottom line efficiencies.

### **4. Facilities Analysis and Reserve Studies**

Most of the critical facilities issues will be identified via the member input from the survey and the operational analysis. Some clubs also like to do reserve studies. One thing that is important to note for clubs that include a reserve study in the planning process. A reserve study is a snapshot in time as to the expected life of the assets. A reserve study does not address an ongoing preventative maintenance program that is an addition to any major reserve study. All clubs are in need of a preventive maintenance platform to supplement the reserve study.

### **5. Technology Audit**

This project is an important companion to the operational audit. Technology plays a key role in almost every club operation. The most clubs would address technology as part of several work streams. Due to the critical impact on all facets of club operations and member satisfaction, emphasis should be placed in this area with a thorough technology audit.

Review technology elements that enhance the member experience – website, online reservations, billing account management, mobile device access to website, communications/promotions, wireless service for members/guests, etc. Also review the administrative and POS systems, computer network/infrastructure, telephone system, security camera system, access control system and wireless systems for staff. This would include business intelligence systems, KPI and dashboard systems, and executive information systems.

Member technology preferences would also be a part of the survey process. This comprehensive approach will support potential initiatives in finance, operations, and membership work streams.

### **6. Governance and Bylaw Review**

The first issue is to determine the present foundational principles used by club leaders in providing governance and oversight. A review of industry best practices should take place ending in the adoption of those practices best suited to the club. Bylaws would then be reviewed and suggested modifications identified based on suggested additions.

## **Governance Discussion and Evaluation Topics**

### **I. Understanding the Total Club**

#### **A. The Business Perspective**

- B. The Four-Part Perspective
- II. The Organization of Club Governance**
  - A. The Structure
  - B. Choosing Your Leaders
  - C. Ethics in Governance
- III. Board Duties and Responsibilities**
  - A. Governing Board Functions
  - B. Separation of Responsibilities
- IV. Functions of Club Governance**
  - A. Adopting the Organizational Mission
  - B. Other Integrated Functions
  - C. Understanding Your Constituency
- V Effective Tactics and Strategies for Boards**
  - A. Idea Analysis
  - B. Meeting Dynamics
  - C. Investment and Performance Strategies
  - D. Other Tactics for Enhancing Effectiveness
- VI. Governance Action Item Checklist for Adoption of Industry “Best Practices”**
- VII. Review Bylaws for Updates or Contradictions to Adopted Best Practices**

## **7. Financial Analysis**

Evaluate the financial and operational conditions of the club by assessing your current condition and provide recommendations for how the club can improve its financial performance in line with its strategic objectives.

Analyze specific financial issues at the club by beginning with a review of the club’s key financial operations, policies and procedures to include:

- Benchmarking key operating results against comparable industry statistics in an existing database.
- Designing and conducting detailed benchmark study for a set of specific peer group clubs.
  - This will assist in generating a SWOT analysis as part of the strategic plan.
- Investigating outliers from industry and peer group benchmarks and determine reasons for variations.
- Determining opportunities for business process improvements from variation investigation.
- Reviewing club operating practices across all major departments, including a review of tools and metrics used to establish performance goals and evaluate results.
- Determining opportunities for enhancing management processes and performance standards across all major departments.
- Determining appropriateness of staffing levels and structure of major departments in relation to industry practices.
- Review opportunities and methodologies for future capital funding.
- Review capital purchasing policies, including evaluation criteria for lease/buy decisions.
- Review club purchasing cycle processes for efficiency opportunities.
- Review club revenue cycles and member spending for optimization opportunities.
- Review budgeting practices for consistent support of, and alignment with, strategic plan initiatives.

## 8. Membership History – Data Mining

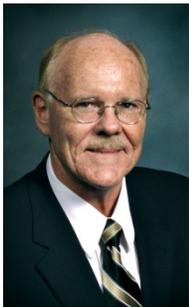
Membership sustainability is impacted by all aspects of the club. Philosophically and in practice proper diagnostics and discovery lead to objective problem solving. To comprehensively understand a club's market, and properly position the club within that market, there are five points of diagnostics that are highly instructive.

- Trend and Profile Analysis
- Market Demographics
- Capabilities and Systems Analysis
- Member and Market Needs Analysis
- Competitive Analysis - Blue Ocean

Each area of diagnosis can offer powerful insights into a club's current situation, but as a collective body of work, this diagnostic analysis can truly drive remarkable insights into proper positioning and marketing strategy.

Complete a trends profile and demographic analysis. Study the club's membership department and the present capabilities to implement and then manage in the long term. Member evaluation should take place through the survey and focus groups. Competitive positioning analysis can take place as part of the operational audit. Also review the present management of archives, history, and organizational brand as it pertains to positioning.

***Once the fact-finding is completed you can begin the planning process in earnest knowing you have completed the due diligence necessary to drive positive decisions moving forward.***



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)