

Winning Strategies

Strategic Planning Practices **A Tale of Three Presidents**

I recently read somewhere about a miracle diet. You can eat anything you want and just pray for a miracle. That is how some clubs face planning. Over the years we have encountered many progressive groups of club leaders who understand that hope is not a strategy. They dig in and do the work necessary to position their clubs for progress in an ever changing environment. However, there are some still wishing for miracles.

Let's take a look at the tale of three presidents. I am using the term president as a catch all for club leadership groups including executive committees, full boards or even just the president. These groups think they have the answer and don't really want to expend the time or energy to really evaluate the total situation. The groups fall into the following three categories:

1. We are doing things right and don't need to go through an unnecessary exercise.
2. We already know what our problems are and don't need further evaluation.
3. We have limited resources and have more important items to spend our money on at this time.

Let's examine each situation. First is the club where the leaders believe everything is great and they don't need a strategic plan. Things are working within their present system of addressing need as it occurs. What clubs like this fail to recognize is that sometime in the future they will be surprised by a problem that, if addressed earlier, would have far less impact on the club both philosophically and financially.

Success can breed a form of arrogance that everything is all right. This can go on a long time and the club can become insulated to their continuing erosion of relevance. Sometime in the future they will be scrambling around trying to figure out what happened.

The second example is those clubs that think they already know what the problems are. This can be a club where the membership demographic is changing. They know what the problem is but do not necessarily know how to fix it. They lack a good communication strategy between the leadership, management and membership. These clubs could be having membership attrition issues, a large need for capital infusion where the membership is mixed on how to address the issue, or just operational deficiencies that are causing member satisfaction issues. They know what the problems are but have yet to find the right answers because of their unwillingness to effectively plan strategically.

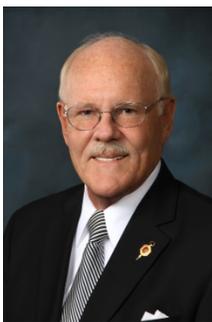
The third example is those clubs that have really dug themselves into deep holes. They have set back for years and allowed the status quo to drive decisions. Now the world has caught up

with them. They could possibly have membership attrition issues, need facility upgrades or have an inability to compete in the present marketplace. No one needs good strategic planning more than a club like this. However, these clubs normally have limited resources and are unwilling to pull the trigger to spend money on planning when they think they have higher priorities for its use.

What all these clubs need to recognize is that a comprehensive strategic plan will generate both strategic and operational initiatives that will provide platform to help them solve existing problems and confront the potential of future problems. Long and short term benefits include:

1. Provides a clear understanding of what the members want to generate high satisfaction and value
2. Develops a plan management system that helps clubs monitor change, track progress and get results through both the board and committee system.
3. Sets up a communication strategy between the leadership, management, and membership that keeps all parties in tune with where the club is going
4. Uncovers demographic changes in expectations that will allow the club to stay current with club industry trends
5. Provides a basis for member recruitment and retention
6. Allows for analysis of facility enhancement needs that do not follow individual agendas but rely on long term capital planning
7. Sets up a system for managing management performance against agreed upon goals
8. Develops a process that makes the plan a 'Living Document' and forces the board and management to continually update the plan with new initiatives
9. Positions the club to plan financially by reducing the number of financial emergencies that can drain resources or cause larger than necessary regular or capital dues increases
10. Puts in place a process that prevents the club from changing direction when board leaders change

So it is time for all clubs to take a proactive posture and not have to worry about miracles.



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