

STRATE



Club foundation sets a course for next five years

The Club Foundation, a 501(c)(3) publicly-supported organization, which the Club Managers Association of America (CMAA) established in 1988, is currently undergoing strategic planning, to determine its direction for the next five years. The Club Foundation recently concluded a "Campaign for Excellence," the goal of which was to create a \$3 million permanent en-

dowment fund. That fund is in place and prudently invested, and since 1997 it has been a source of grants and awards.

In order to begin strategic planning, The Club Foundation sent a Request for Proposal (RPF) to six consultants in mid-1998. As a result, The Club Foundation contracted with Tarun Kapoor, CHA, CHE. Kapoor is a professor in the

School of Hotel & Restaurant Management (SHRM) at Cal Poly Pomona University. He also serves as the SHRM's director of the Professional Development Institute. Kapoor is widely recognized for the consultation he provides to business and hospitality organizations in the United States and abroad, and he is recognized as a facilitator of meetings and strategic

GIC PLAN



planning retreats.

Needs Assessment Document

Kapoor's first step was to conduct a Needs Assessment for The Club Foundation. This consisted of nearly 100 interviews of club managers, club directors, corporate representatives, hospitality educators, and key CMAA/Club Foundation staff members. With the exception

of staff members, a computer program randomly selected CMAA members across the country to participate.

A number of the interviews were conducted during the 1988 CMAA Leadership/Legislative Conference, the balance of the interviews were conducted over the telephone during the next three months. Kapoor conducted each

interview one-on-one and the responses were kept confidential.

Kapoor prepared a Needs Assessment Report for The Club Foundation as a result of the interviews. That report is summarized in this article. (Please note that not all interviewees responded to every question posed.)

The first few questions Kapoor posed during each interview were very general. His goal was to learn how much information members and others associated with the private club industry knew about The Club Foundation.

In response to the first question, "What do you know about The Club Foundation?" 74 percent of respondents indicated they knew a lot about the organization; 17 percent knew a little; and nine percent knew nothing.

Secondly, Kapoor asked if each knew when The Club Foundation was founded. Thirty-seven percent of the respondents stated that they did not know. Of the other 63 percent, a small percentage answered correctly. (The Club Foundation was founded in 1988.)

Concerning the mission of The Club Foundation, 79 percent of respondents had a basic understanding, while 21 percent did not know the mission.

During the next line of questioning, Kapoor sought information regarding respondents' participation in The Club Foundation. As a result, he learned that 80 percent of respondents had previously participated in some manner, through donations and/or as volunteers for the organization.

Kapoor asked for specific information from each interviewee regarding participation. Several respondents indicated they participated in various ways as a means of "giving something back" to the industry. Others indicated they had made personal donations because The Club Foundation provides funds for education and they are personally committed to education. A few others indicated they made pledges because they felt compelled to say "yes" to the members who solicited those pledges.

Kapoor asked those who had

Continued on page 50

Strategic Planning—

Continued from page 49

not participated in The Club Foundation, why they do not participate. One individual indicated financial reasons; another indicated he felt members already pay enough in CMAA dues; another suggested he did not know enough about The Club Foundation; and two had no reason.

Next, they were asked if their

(for club managers, club staff, and students) and research initiatives, and through communications to the golf and hospitality industries.

Ninety-five percent of those interviewed felt the mission statement is fine as written. Furthermore, 98 percent suggested that it would help CMAA to maintain its leadership role in the club industry. Some specific comments received about the mission statement were

Exhibit 1

Fundraising activity	Yes	No
Solicitation of CMAA members	98%	2%
Solicitation of CMAA chapters	98%	2%
Solicitation of corporations	93%	7%
Solicitation of corporate foundations	95%	5%
Solicitation of family foundations	92%	8%
Solicitation of club boards	71%	29%
Solicitation of club members	22%	78%
Solicitation of allied organizations	85%	15%
Fundraising through special events	98%	2%

chapter had participated in any manner in The Club Foundation. Seventy-seven percent said yes, their chapters had participated; five percent said no; and 17 percent said they did not know. From those that said yes there was a wide array of reasons why, including it was the right thing to do; it was a good idea; it was important to support national's foundation; all chapters should support The Club Foundation; and their chapter gave because national asked.

From the other respondents, one suggested the members of his chapter are discontent that their chapter made a pledge; and another said there still exists some controversy in the chapter regarding The Club Foundation.

Kapoor continued with a line of questioning that regarded The Club Foundation's mission as it has read for the past four years:

The mission of the Foundation is to support the professional development of club managers and the advancement of club management as a profession that offers long term employment, job satisfaction, and professional achievement. This is accomplished by funding education and training opportunities

that it is too long, it is a mouthful, and it is too broad. Two individuals suggested the mission statement be revisited and that it needs more specificity.

When Kapoor continued his line of questioning about the mission statement, 83 percent recommended no changes or improvements. Of the other 17 percent, suggestions for changes included the need to shorten it; to include verbiage about chapter programming; for it to say something regarding research; and two individuals asked why the golf industry was listed but not the tennis industry.

The next set of questions concerned The Club Foundation's structure. As Kapoor explained, The Club Foundation had, until recently, one full-time staff member, the vice president, and now has an administrative assistant. In addition, it has a 12-person board of governors; liaisons in the chapters; and several committees. Eighty-two percent of those interviewed felt this structure was sufficient. Of the others, 10 said there was too much structure; 10 said the structure is too cumbersome; and one

Continued on page 54

Strategic Planning—

Continued from page 50

asked if The Club Foundation has an adequate system of checks and balances.

Then Kapoor asked about the staff specifically, to find out if each person interviewed believed the staff to be effective. Fifty-three percent had no specific comments. Of the comments given, most were extremely positive. When asked what the role of the vice president should be, 40 percent believed it should be facilitator, 30 percent believed it should be fund-raiser; and 30 percent thought it should be a combination of both.

He then asked about the effectiveness of the board of governors,

To get more specific, Kapoor then read nine fundraising activities, and asked about the appropriateness of each solicitation type. (See *Exhibit 1 on page 50 for breakdown*).

When asked if they would be willing to help The Club Foundation with its fundraising efforts from any or all of the above sources, 76 percent of the respondents said yes, they would; 14 percent said no; and 11 percent said it would depend on the circumstances. He then asked if each would consider personally donating to The Club Foundation. Seventy-three percent said yes, they would consider donating; 14 percent said no; and 14 percent said it

Exhibit 2

	Yes	No	Don't Know
Education Grants (i.e., Sports Mgmt Program)	.98%	...2%	.....0%
Faculty Internship Program	.....79%	...4%	.....15%
Sponsorship of World Conference Speakers	.....67%	.26%	.....6%
Club Manager Scholarships	.....91%	...6%	.....2%
Student Scholarships	.....95%	...2%	.....3%

committees, and liaisons. Sixty-five percent of the respondents had no specific comments. Of the comments given, five said these groups do a good job; six asked why there are not liaisons in every chapter; one said the liaisons are not fully informed of Club Foundation updates and activities; and one suggested The Club Foundation do more teleconferencing.

To conclude this specific line of questioning, Kapoor asked for suggestions for changes and/or improvements to the structure. Eighty percent had no suggestions. Three suggestions made were to keep the committees active, to restructure on a regional basis, and that the structure should follow the strategy.

The next line of questioning regarded resource development. In response to the question, "Do you know which fund raising efforts the foundation has been involved in?" Sixty percent knew a lot; 23 percent knew a little; and 15 percent knew nothing regarding the foundation's fundraising activities.

would depend.

The final line of questioning concerned distributions made from the endowment fund. First, he asked if each interviewee was familiar with how the endowment funds have been used in the past. Fifty-six percent knew a lot about this; 24 percent knew a little about this; and 18 percent knew nothing about this.

Providing five examples of funding, Kapoor asked which of the following programs each respondent believed should be recipients of funding from the endowment in the future. (See *Exhibit 2 on this page for breakdown*). In response to suggestions for other recipients of funding from the endowment, 25 percent of interviewees said research; four said funds should be used to pay for non-CMAA sponsored education; and five said The Club Foundation should give chapter education grants.

Kapoor asked what percentage of the endowment earnings should

Continued on page 56

Strategic Planning—

Continued from page 54

be used to cover operating costs, and what percentage should be distributed. A significant 58 percent did not know. Seventeen respondents suggested The Club Foundation needs to improve its communications regarding the sources and uses of endowment funds.

Kapoor concluded each interview by seeking input concerning The Club Foundation's vision. The majority of respondents suggested The Club Foundation grow the endowment fund. Specific numbers ranged from growing the fund \$500,000 annually to growing that fund to \$20 million.

Task Force Formed

Following the interviews, a Strategic Planning Task Force was formed. Participants were not hand-selected by the Club Foundation or CMAA. Rather, the stakeholder groups of The Club Foundation were asked to appoint representatives to this task force. For

example, a letter was sent to all Club Foundation liaisons asking them which two liaisons should be involved. This was done in a ballot format, with liaisons checking off two names each. The same methodology was employed for selecting representatives from each stakeholder group. The result is an 11-person task force.

Strategic Planning Retreat Held

The Strategic Planning Task Force, whose members have made commitments to serve in this capacity for three years, met for the first time at a two-day retreat at Boca West Country Club in Boca Raton, FL, on Jan. 9-10, 1999. Staff in attendance included Mariana Nork, vice president of The Club Foundation; Jim Singerling, CCM, CEC, president of The Club Foundation and executive vice president of the Club Managers Association of America; and Gordon Welch, CCM, vice president of the Club Managers Association of America.

The following tasks were ac-

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completed during this two-day meeting:

- Club Foundation primary, secondary, and tertiary stakeholders were identified.

- The Club Foundation's values were identified.

- The Club Foundation's core competencies (strengths), and challenges (weaknesses) were identified, in terms of both fund raising and fund distribution.

- The Club Foundation's mission statement was revisited and very closely examined. As a result, that mission statement has been rewritten to say the following:

The mission of The Club Foundation is to raise funds to support the professional development of club managers through education, training, and research initiatives.

Continued on page 58

Strategic Planning— *Continued from page 56*

The Club Foundation Vision

By 2004, The Club Foundation will have achieved distinction, prestige, and recognition among CMAA members and the community at large. The Club Foundation will:

- Be an effective fund-raiser
- Have a fund balance of \$7.5 million, returning 7.5 percent annually for distribution and a minimum of 5 percent for growth, and
- Continue to generate a minimum of \$150,000 per year from special events.
- Be efficiently managed
- Spend no more than 30 percent of income on operating expenses (exclusive of fund raising), and
- Distribute a minimum of \$500,000 annually through CMI (Club Management Institute) to fund programs consistent with its mission statement.

Lastly, during the retreat, the Strategic Planning Task Force identified the five Key Result Areas (KRAs) as follows:

- Fund raising
- Fund Distribution
- Portfolio Management
- Image Marketing
- Organizational Structure

Fund raising

The first objective is to raise, by 2004, an additional \$4.5 million,

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thus raising the endowment fund balance to \$7.5 million.

The second objective is that, by 2004, The Club Foundation will earn a minimum of \$150,000 per year from the auctions, raffles, and other events.

Fund Distribution

The first objective states that by the end of 1999, The Club Foundation will establish its fund distribution criteria. The second objective states that by the end of 1999, The Club Foundation will establish its annual distribution process. The third objective is that by the end of 1999, The Club Foundation will have developed distribution criteria and established a funding process to provide education and programs to needy chapters.

Portfolio Management

The objective is that The Club Foundation will continue its current portfolio management policy.

Image Marketing

The objective states that, by the end of 1999, The Club Foundation will develop a marketing campaign for internal and external constituents.

Organizational Structure

The objective states that before launching the strategic plan, The Club Foundation will conduct an organizational review and recommend changes if necessary to the existing committee and staff structure.

The Club Foundation interim Strategic Planning retreat report was presented to and accepted by The Club Foundation board of governors at its annual meeting on March 2, 1999, in San Francisco. Kapoor presented highlights of the report to conference attendees during the Opening Business Session of the 1999 CMAA World Conference in San Francisco.

What Next?

The Strategic Planning Task Force met during the CMAA World Conference in San Francisco. The committee members made the commitment to meet twice annually for the next three years. The results of those meetings will be made public to the CMAA membership and to other stakeholder groups.

The next stage of Strategic Planning is the implementation plan. As The Club Foundation proceeds in this area, it will keep CMAA members and members of its other stakeholder groups fully updated regarding its strategic planning process. This will be accomplished through articles in publications, through updates in CMAA and Club Foundation publications, and through other forms of communications. ❏

If you have any questions regarding The Club Foundation and/or its Strategic Planning, contact Mariana Nork or Jim Singerling at 703/739-9500.