

# Building Foundations the Mission Statement

**NO MATTER WHAT THE BUSINESS OR INDUSTRY, CHANGE IS INEVITABLE. HENRY FORD DISCOVERED THIS WHEN HE REFUSED TO PAINT HIS AUTOMOBILES ANYTHING BUT BLACK. THE LESSONS OF HISTORY ARE MANY, AS ARE THE FAILURES.**

Private clubs are no different, and periodically clubs and their members need to know who they are and what they do, because things change. Much as some club members might like to see things remain the way they were 20 and even 10 years ago, that just isn't possible any more.

Many clubs find themselves with a changing direction, agenda, and policies with each new board, even when it's the board's role and responsibility to maintain the direction of the club.

Of paramount importance to the success of the club, must be the board's ability to create, enhance and sustain the value of the club's memberships, thus the need for employing a strategic planning process to manage it.

Envisage where and what your club will be in the future...the long term. In the past, during the 1950's and 60's, the long term may have been 10 years. For instance, the now-disappeared Soviet Union, functioned with 10-year plans. Today, we're in fast-moving times,

unable to control the future that far ahead. If it's a fast evolving club, the term is more like three years, and if it's a mature 100-year-old club that might, just might, stretch to five years.

However, the important point to understand is that planning must be dynamic and flexible because no strategic plan is carved in stone.

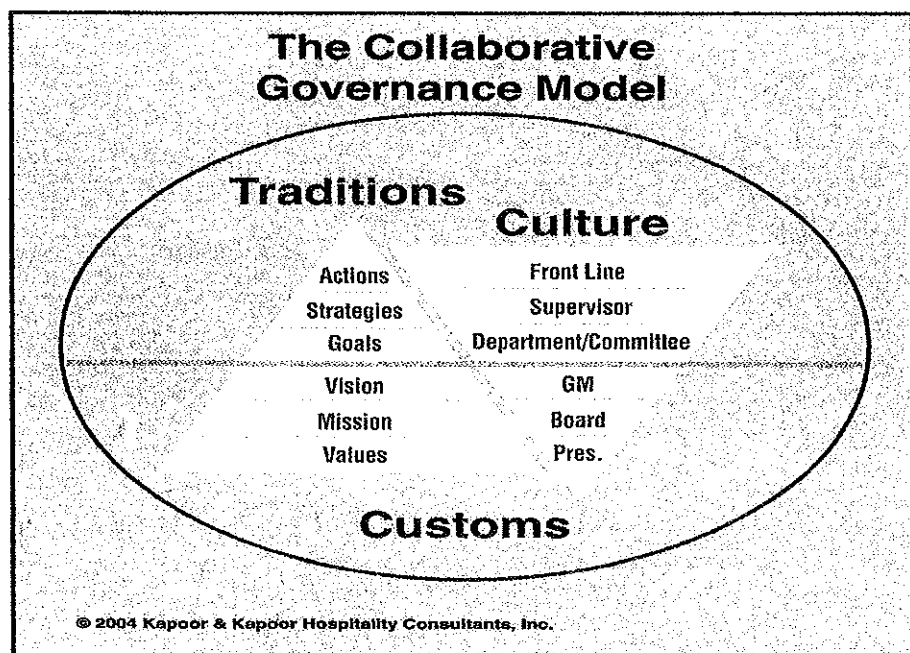
So how does a private club go about achieving significant change through the strategic planning process? As I've explained throughout this series, it takes the lean mean planning machine...and a commitment to a strategic planning process by everyone associated with the club.



TARUN KAPOOR  
CEO, KAPOOR AND KAPOOR  
HOSPITALITY CONSULTANTS, INC.

The club must implement sound business practices using the planning model, involving the continuous process of planning, implementing the plan, assessing the outcomes, realigning the plan if necessary, and continuing to assess.

The vertical pyramid is a pyramid of decisions. Consciously or unconsciously, every business...every private club makes decision on its core values, mission, vision, goals, strategies and actions. The inverted



**LEAN MEAN PLANNING MACHINE**

pyramid, on the other hand, shows who makes the decisions. In most clubs the entire decision making pyramid from the club's core values to its goals, strategies and action plans are all decided upon by the leadership the officers and often the GM. Rarely is it as inclusive as shown in the model.

A commitment to a strategic planning process means developing and implementing the club's core values, mission and vision and ensuring that the goals, strategies and actions are consistent with, and connected to them. Strategic planning is a fundamental and powerful tool for change and a commitment to collaborative governance necessitates operating the club through a strategic plan.

The collaborative governance model is essentially the same strategic planning model most corporate and not-for-profit groups use. The difference usually lies in the definition of terms and/or the sequencing of the steps in the process.

In my model the vertical pyramid describes the sequencing in decision making, the inverted pyramid the parties responsible, and the relationships between two pyramids creates the collaboration in governance.

The process is vital to the success of strategic planning and the creation of a new sustainable culture, as is the club's by-laws, which institutionalizes the process, and ultimately commitment to the plan.

As outlined in my last column, the foundation for this process, of course is clearly enunciated beliefs or values, the mission and vision. The club's foundation must be "strong, articulate and distinctive" able to withstand the test of time, while at the same time differentiating the club from all others in a very positive way.

The club's values drive behavior, and once the strategic planning committee has concensus on the club's core values, the committee's members are ready to discuss and delve into the club's mission – its reason for being.

### **THE MISSION**

*Mission:* Some people view and do the mission and vision interchangeably. It's a matter of using what you want. It's semantics, but you must be clear of your outcome: Why does your club exist? What is the club's raison d'etre? Why did you join? Why have you stayed as a long time member? Is the club achieving its mission? Does what the club offer still interest you!

Plainly stated, the mission is a broad statement of the unique purpose of why your club exists, and the specific functions the club performs. This is the basic mission statement template. As with the statement of values, if your mission statement is clearly defined, the club's mission will be difficult to bastardize.

What the mission has been may not be what it should be going forward. For example, a developer-built club was designed to help sell real estate. The club's now been taken over by its members and it's not selling real estate any more. So what's the mission for the future? Is it now to be a community centre? Is it to be a golf club? Is it to be a country club for your grandchildren, or is it all of these?

Now we're talking about the reason for the club and the mission statement should influence and guide everything the club does. For example, it should tell members what to expect. It should tell and guide management what and how to deliver and manage services, facilities, amenities and processes at the club.

The mission should tell potential members what to expect from the club in which they're ready to invest. It should guide today's and tomorrow's volunteers and leadership in the direction they need to go.

The mission will help resolve differences. It will bring to the surface any disparate agendas or initiatives that individuals or committees may have. Often, different stakeholders may be vying for the club's limited resources. A clearly articulated mission will force the club's leaders to focus on the right priority. For example, the house committee and the golf committee may both have capital projects they want funded. The board rather than picking favorites can choose the project that best addresses the club's mission.

All these considerations make the case for a clearly defined mission statement. The strategic planning committee should be charged with developing a draft that fits into the mission template. Members then know that the mission statement clearly describes the unique purpose of the club while outlining the specific functions the club will continue to perform.

**For example:** The mission of XYZ Club is to provide a Country Club lifestyle with exceptional golf and tennis, recreational, social, and dining activities.

In this example, the club's unique purpose is to provide a country club life style. The specific functions it provides are exceptional golf, recreational, social and dining activities. Please note the obvious emphasis that is placed on golf. This implies while it is a full service country club that puts importance on creating community, golf has priority over the other functions.

A mission statement must cover what you want to do. It must be articulate. Give the mission clarity because it makes your job as a volunteer or manager easier. But make the mission statement simple enough so that everyone can understand and remember it.

*Tarunism: "The more ambiguous it is...the more ambiguous it is!"*

Once the mission is approved, the general manager should work with the department heads in developing the departmental mission statements. These must be consistent with and connected to the club's mission statement. Each department can use the same template and define their unique purpose and identify the specific functions they perform.

For example: The food and beverage department's mission is to provide high value food and beverage with a seven days a week, three meals a day casual restaurant; five nights a week formal dining and a profitable banquet operation.

If I'm being interviewed for the position as the club's general manager, it is important I understand and am comfortable with the club's values and mission. I must ask for them, understand what the established mission statement means, what it stands for, how the board and membership feel about it, and what they think it means or stands for. And, is it in synch with their current thinking and practices?

I'll want to interview the search committee as much as it wants to interview me. I want to understand how the board governs, how the committees function. I want to make sure I am compatible with the club and that the club is right with me!

If there's no compatibility with the club's values, the mission statement and vision, then that's not the club for me, regardless of how wonderful the package may be.

To reiterate a major point we've stressed consistently, step one in the strategic planning process is conducting a comprehensive needs assessment, the results of which should guide and influence the nature of step two – member input through focus groups, town hall meetings and/or a comprehensive membership survey.

Once the strategic planning committee has assessed the member input then it's ready to start step three – the planning retreat, which serves as the first opportunity for the committee to start developing the "new" club. This requires establishing a solid foundation of the club's core values – its beliefs; the club's mission going forward – its *raison d'être*; and its vision – what the club wants to become in the future.

It's imperative, that before the club delves into the mission, the strategic planning committee should already have done its SWOT – strengths, weaknesses, opportunities and threats assessment of the club.

In developing the mission statement, there's a need for an internal and external analysis. Do an internal analysis; analyze the club's strengths and weaknesses. Do an external analysis; analyze all opportunities and threats the club could face.

Determine your strengths and know your weaknesses. To best do this, it's necessary to benchmark the club against its primary competitors. This must be done in great detail. For example, in the pro shop benchmark – the selection, price, merchandising etc.; in the golf course – the bunkers, fairways, sand boxes etc.; in the locker rooms – the amenities, services, facilities etc.

Is your club more kid-friendly than theirs, and does kid-friendly mean the same at both clubs? Do you have a famous pro well known in your areas, but the pro shop stinks because it's not capitalizing on the business that's available. In other words, the pro is a terrible businessman.

It's absolutely necessary that you address the depth and breadth of your club with these probing questions, because that's the only way you'll find out what your club's strengths and weaknesses really are.

To discover your opportunities and threats, you must know your marketplace. What's happening in your community? What's happening in the local economy? What is happening with daily fee golf courses? What is happening in your local restaurant scene? Do any actions of these secondary competitors create opportunities for your club?

Every club must showcase its strengths, seize the opportunities in the marketplace and then revise its mission to play off them.

Once the results of the needs assessment and SWOT analysis are understood by the strategic planning committee it's ready to deliberate on the new mission statement.

Once again, it's critical to build consensus on the committee because when the committee's recommendation goes before the board of directors, it will most assuredly be changed if consensus does not already exist, thus wasting much of the work that's been accomplished by the strategic planning committee. The same will hold true for the

membership at large. Concensus must be developed and encouraged.

I've worked with a number of club where there have been bloody and lengthy debates when developing concensus on the club's core values...one person wants one thing, someone else wants another, and neither party gives in easily.

Concensus is imperative, and it should be built around what's best for enhancing the sustainable value of the asset owned by members. The board, management, strategic planning committee and members must 'step outside the box' to achieve concensus.

The desired outcome of the strategic planning process will ensure the club successfully operates with a clear purpose. A club engaging in the strategic planning process will uncover the defining characteristics of its philosophical foundation and create strong traditions. And the centerpiece of this culture will be the new mission statement.

In year one of the strategic planning process, if the club can agree on "why" it exists the club's mission and values, start to institutionalize it; it's what your club will become.

So clearly define your club's core values, develop its mission and create a shared vision to start building the kind of club you want. If at the end of the strategic planning retreat you can answer these questions, it's a great start. But remember, you are starting from very humble beginnings...very slowly, very deliberately to ensure the 3Cs – continuity, connectivity and consistency, the private club mantra. **BR**

*Tarun Kapoor. CHA, CHE is managing director and CEO of Kapoor and Kapoor Hospitality Consultants, Inc. and professor, Collins School of Hospitality management, Cal Poly, Pomona, CA. He can be reached at (626) 975-1486 or via email: tarun@kapoorandkapoor.com*