

Building Foundations: The Action Plan

NOW IT'S TIME FOR ACTION.

Up to this point the focus has been on the big picture. Developing a *strategic plan for your club – the big picture – through the volunteer strategic planning committee*. But successful strategic planning means making the transition from big picture planning to the “nuts and bolts” – action led by the experts at your club.

Slowly and deliberately you've developed the club's core values, the mission and vision for the strategic plan by way of the lean mean plan machine, seeking a buy-in by all constituencies as the planning progressed. There's no question by institutionalizing the mission, values, and vision, the vision becomes the focal point, leading into key result areas.

Developing key result areas and establishing broad objectives, leads to consensus through those interested in specific areas.

By building in a slow deliberate way, no one group in the club community becomes alienated. It's frustratingly slow, but building trust and changing behaviors takes time. People have to take ownership and hope they don't get lynched in the process. To reiterate: A club's vision is only as good as its buy-in from everyone.

It doesn't matter whose vision it is – a great president, a general manager or the strategic planning committee chair – the success of the vision is

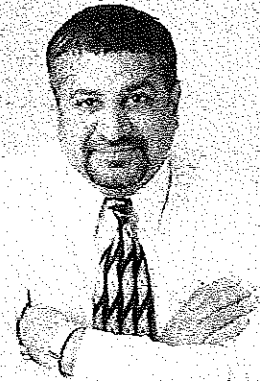
based on everybody agreeing with it...buying into it. For that to happen, all the club's stakeholders must believe they've been included in the final determination...the decision-making process.

And here's a vitally important point to remember: Everyone must embrace and accept the club's new core values, mission and vision, and the buy-in must happen before the board approves the new values, mission and vision. That's because they are the club's tenets. The day-to-day life of the club has to be lived not only by the club's leadership and management, but just as importantly, the club's members. The club's new culture must be reinforced constantly for everyone in every way possible.

So how do we get there? How do we invent, innovate and achieve success? How do we initiate action? Through planned activities!

In achieving a new club culture, we're really developing a strategic plan and direction for a club through the collaborative governance of paid management and volunteers. Collaborative governance is the key. It's not planning the club's strategy or allowing decision making to be initiated from the top down, but rather collaboration in the decision-making between the club's paid management, the volunteers and members.

You joined the club to “play,” not “work.” But as an owner you have a



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

vested interest in your investment so participation in the government of your club ensures that yours and other members' investments is positively impacted.

You're involved because you're an owner, and a member. What you've been doing is assisting management as a volunteer, not necessarily to work, but to positively engage the process and make a commitment to the strategic plan for the betterment of the club's future.

If everyone agrees on the broad objectives, then the debate on the more specific aspects is less painful. If people agree on objectives, they're generally willing to concede more. Typically within clubs, bitter debate and arguing happens among members about “specific stuff,” as opposed to the “broad stuff.” Everyone has a solution, but a solution that's not necessarily in the best interests of the club as a whole.

Once this agreement is achieved, the club's planning process can begin to make the transition to making things happen...on multiple levels.

On one level, the key result areas and objectives give you the strategic plan and direction of the club. For

example, you have core values, mission and vision, the key result areas, and key initiatives and/or objectives that the club wants to work on over next three to five years. **For example...the hypothetical City Club of Chicago.**

Its **vision** is: by 2011, to become the premier city club in Chicago with:

- a variety of contemporary dining options
- a full service business center
- a calendar of events catering to the needs of our diverse membership
- a full membership of 1,200 regular
- a waiting list of 100 members
- \$12 million per year in revenues
- a reserve of \$2 million
- a state-of-the-art fitness center and day spa.

This definitive vision paints a clear picture and tells the present and future boards of directors what needs to be done.

To become the premier city club in Chicago by 2011, this club can establish food and beverage, business services, social programming, membership sales, accounting and finance and fitness and recreation as possible KRAs.

So let's take the F & B KRA and develop three possible

broad objectives. Remember, the vision is to become the premier city club in Chicago, and our food and beverage objectives have to help the club achieve this.

The professionals are asked to set the stage by conducting research, including what competitor clubs are doing, trends in food and beverage, strengths and weaknesses of the existing facilities and/or operations, and survey results etc.

Their deliberations could conclude that to become the premier city club in Chicago they need to:

- a) offer contemporary a la carte dining (both casual and formal) to the membership
- b) provide a fully service meeting and catering program to compete with leading downtown hotels
- c) lastly, generate \$1 million in net operating income annually from food and beverage.

Once the task force has reached consensus it can set out to develop sustainable objectives. For example:

Objective No. 1: By 2008 provide comprehensive a la carte options to include both casual and formal dining.

All objectives need a clearly articulated rationale to get buy-in first from the entire strategic planning committee, then the rest of the membership and finally the board.

This is a city club with:

- members who are professionals – doctors, lawyers engineers etc.
- some who are individual members and some who are corporate members, i.e. law firms
- individual professionals out there networking
- where both men and women are members and
- where most of the activities happen during the business week. As a city club, activities likely will not draw members living in the suburbs to come back downtown to the club in the evening or on weekends.

It's a club where the objective is to provide optional (casual and formal) a la carte dining for its members and guests Monday through Friday:

- where the casual option can provide three meals a day, seven days a week, and
- where someone dressed in business casual from the local bank can entertain a client
- where the local lawyer can meet friends for lunch
- where a female director of marketing can take clients out for dinner
- it's also the restaurant where the membership has more occasional needs for formal dining, available Monday to Friday, for special occasions like celebrating a promotion, or entertaining foreign clients; and where there's a formal dress code, and where cell phone use is not allowed.

will come many goals, which can be used to address the more specific areas.

It's building layer upon layer.

Now for the transition: How do you take the key initiatives, "institutionalize and operationalize" them? How do you turn your strategic plan into your club's business plan? How does the club make that transition? How does the power shift from the strategic planning committee to your club's management for action, because this is where expertise lies?

Who writes the goals? Obviously managers should, because they are the people in your club who know the club, their departments, the nuances, their staff, the strengths and the weaknesses and what members need and want. For example, it's the general manager's responsibility to write the over-all goals for the club, but the responsibility of the golf course superintendent to write the action goals for the golf course.

The clubhouse manager must establish the goals for clubhouse, the golf professional for golf programs, and the membership director the goals and action plan for the membership marketing and so on.

It's reinforcing collaborative government, which is so vital to the success of the strategic plan, the governance of the club and the club's new culture.

Up until now volunteers have played the more critical role in establishing the direction, and the direction is set with the volunteers telling club management (through the strategic plan) what direction they want the club to take in each key result area.

Now it's management's (the experts) turn. It's incumbent on the club's managers to deliver on these directives

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Recognizing the price points will be different. The volume, profitability menu, décor and ambience will all be different for casual and formal dining as the broad objective is developed. Once that's approved, SMART goals for each of these areas are easier to develop.

From this broad objective, which will help the club achieve the key result areas (food and beverage vision),

in the most timely and cost effective manner, and it allows the membership to evaluate the management's performance on their delivery and effectiveness.

Unquestionably you're making a very important transition, as the club's strategic planning process moves from the big picture to the nuts and bolts activities and eventually to development of the club's business plan. You've got

Through this retreat the management and leadership has been able to establish priorities, set timetables and develop measurable action items. This has given all involved direction for the upcoming year. Everyone involved knew the critical nature of building a common membership through communication strategies while evaluating success against pro-forma expectations.

Strategic planning can help identify opportunities though visionary thinking. It is always important to consider the what-ifs. You may be **able to build** not only a better mousetrap at your club but maybe even a **better club for your future.**

What is the status of this merger after almost one year? What are the concerns and cautions that clubs should look for when considering a merger? We will follow-up with a second article on the status of the merger in a future edition of Boardroom.

Now, what size frying pan do you have? Maybe it's time to consider a bigger frying pan. Strategic planning can

help identify opportunities though visionary thinking. It is always important to consider the what-ifs. You may be able to build not only a better mousetrap at your club but maybe even a better club for your future. **BR**

Editor's note: General Manager Mike Azbill and Jerry McCoy will be providing an overview of the merger at the CMAA Conference in Anaheim in February. At that time the merger will almost be one year old. Look for the program on the education schedule.

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 can be reached at www.clubwiseconsulting.com or CMAAMCM@msn.com

Michael Azbill is general manager of the Mayfield Sand Ridge Club in Cleveland Ohio. He can be reached at 216-381-0826 or at Azbillmi@cmaa.org