



Tips On How to Get An Outstanding Board!



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MAKE NO MISTAKE, A PRIVATE CLUB'S SUCCESS IS TIED DIRECTLY TO THE QUALITY OF THE CLUB'S BOARD OF DIRECTORS.

During these tough times, it's more important than ever to have an informed, solid, dedicated and focused board.

And there's no better time for your club to seriously look at the composition and role of your board of directors, and strengthen the board as much as possible.

A strong cohesive board of directors can give a private club the drive, the thrust, the impetus – call it what you wish – to achieve its goal – its vision and mission.

And in many respects, it all starts with the “stewardship”, strong, focused-decision making that provides leadership and stewardship for the club now and in the future.

Actually, this stewardship process starts before a director is voted into office, mainly during the process of nominating prospective board members.

There's a need to have a well defined and developed process that ensures the ‘best’ candidates with the proper motives and skill sets are on the ballot for your directors' positions...more likely we can call a ‘qualified ballot.’

Once this happens, members can then select new directors from the best of their peers to represent them for the following three years.

It also follows that integration into the activities of the board is key to creating an environment for new board members to be successful and truly contribute to the long-range health and wealth of the club.

This means at the least, a yearly orientation exposing board members to the structures, systems, policies and procedures and the club's institutional memory so that all directors are able to assimilate and contribute in a much shorter time period.

And there's much to be said for diversity contributing to development and maintenance of a strong productive board of directors.

Board members from all walks of life and industry often are very beneficial to a club because the differing viewpoints generally lead clubs in a more positive direction.

Gregg Patterson, general manager of The Santa Monica Beach Club, suggests several characteristics lead to a strong board.

“Good boards have a “marketing mentality,” that is, they actively seek understanding of members' needs now and into the future. Board members accept their role as “hunter-gatherers” of information from the general membership, from their peers in other clubs and from the management and employee teams,” Patterson said.

“They walk, talk and read continuously to get the pulse of the membership. Good boards limit themselves to policy but oversee the administration of those policies. A strong board is clearly perceived as the ‘one in charge,’ is accessible to the general membership and is willing to act decisively when the time for action arrives.”

He feels “a successful board is built on the experience of its members at the committee level; on their willingness to engage in ongoing collaboration with the general membership, committee members and management team; their enthusiasm for asking questions of members and staff alike; their balanced approach to issues; their enthusiasm for “digging into” problems; their strong ethical foundation; their ability to “do research” by reading, questioning and active listening; their willingness to make decisions on tough issues when needed; and their ability to listen for feedback once those decisions have been made.”

All these qualities become the underpinnings and commitment for the stewardship and the result is board decision making based on the forethought of each decision's effect on the club's history and traditions, the present state of the club and perhaps even more importantly, the future of the club, five, 10 and even 20 years down the road.

Their activities before prospective board members become board members are a vitally important aspect of the process, Patterson outlined.

“A strong committee process, one in which ‘the larger club issues’ are aired, is fundamental to getting board members ‘on board’ before they're ever selected,” Patterson added.

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"Involvement for years in the committee trenches is fundamental to director success.

"Those selected need to have a proper orientation in 'need to know' issues: What is the 'state of the club'? What big decisions have been made of late? What volatile issues now exist? What problems are anticipated in the coming year, Who should they talk to and what should they read?

"New board members should review the communications tools that are used regularly to inform and to educate board members," Patterson added.

Patterson also stresses creation of a synergistic relationship with the general manager and the leadership (the board) team.

There's a need to articulate policies, roles and responsibilities but these must flow from a beneficial relationship between the GM and the board of directors. So the question is: How can the board improve its relationship with the general manager to make it more productive?

It's certainly a matter of trust... a strong trust relationship with the board and for this to evolve a number of things must happen.

A clarification of roles for both the general manager and the board is essential says Tarun Kapoor, CEO, Kapoor and Kapoor, a hospitality consulting firm based on San Marino, CA. It's a triple layer of clarification and accountability.

"The general manager, the executive committee and the board each must know what they're responsible for, have the authority to do what is necessary, and know what they will be accountable for." The lack of role clarification is where there is often confusion within the private club structure.

"Roles must be articulated and then enforced," Kapoor said. "Problems invariably come up when volunteers feel they have the right to execute decisions affecting the club's resources, yet they may not have the authority to make the decision."

What does Kapoor suggest? "I'd recommend the role of the board and/or volunteers, be one of setting the strategic direction, establishing club operating guidelines then ensuring management and/or volunteers are operating within the guidelines, and supervising, auditing and managing the GM or COO."

Ah...that trust relationship again!

It is management's role to create activities, programs and ways for members to connect, based upon policies established by the club's board of directors. But sometimes that's easier said than done because private clubs are businesses, albeit businesses often full of emotional entanglements, good boards, and at times, bad boards and interfering boards of directors.

We might consider those 'bad boards' as having a paralyzing effect upon the effective and efficient operation of a private club. We've all seen it happen all too often, where the professional staff and management have become the puppets or scapegoats for the action of a 'bad board', if not one specific board member. *Why?*

There's often a lack of role clarity for both the board, the individual board members and for the club's general manager. The board sees itself, and unconsciously acts, as the management of the club. Not good!

And it may also be because someone has a personal agenda they wish to pursue or there's a need for glorification. Sometimes these boards become the result of 'bad' directors...candidates, because of inadequate vetting or because certain candidates have cleverly masked their true, personal agenda when vying for a board position.

Hence the requirement for an annual board orientation to get everyone up to speed for role clarification, decision making and the continued stewardship of the club and its ideals.

This is a major reason why a board orientation each and every year, with an outside facilitator, is so vital...so the club's general manager and staff can provide vital information about the club's daily operations, strengths, weaknesses, challenges and opportunities. It'll help the board make diligent, insightful policy decisions during a term of office.

Boards must fully understand the club's culture, its core values, the club's mission and vision, and long-range strategic plan, and what that long-range plan means – a continu-



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ing commitment from the club's board. Board members must be leaders, not interventionists, or second guessers.

Equally so, it's vital that the general manager, the club's daily operational leader, fully prepare the board with background reports, research documents and current information required for diligent, incisive decision making.

PUBLISHER'S FINAL THOUGHTS

Here are a few final tips:

Make sure your board of directors represents all of your members and has a mix of people with diverse backgrounds. They should represent the skill sets you need to have a successful and well rounded board – finance, marketing, media, legal, organizational development, club leader, influencer, etc.

All of your board members should be active members. Ensure there is a conscious effort to develop your board into a community of people who share the organization's common values, vision and mission, and enjoy and trust each other enough to discuss serious issues.

An orientation and training session for your new board is an absolute requirement. Role clarification, and what is expected ('job' description, roles and responsibilities) of your club's board members must be clearly explained.

How many hours does your club expect from its board members – a week, in a month?

Accountability is key. It's the responsibility of each board chair to make sure board members execute on their pledges. It's their responsibility to also complete the orientation courses and be able to understand and answer specific questions from the orientation courses.

Have a clear vetting process for new boards. A formal application process, perhaps. During the interview process, ask the prospective candidate why they want to be on the board and what they have to offer the board and club. Having a heart beat, being a long-time member or low hand-icapper doesn't necessarily qualify someone to be on the board. Recruit the right people who add value to the board and our club.

Getting a new board of directors off to a good start is critical for the board and the club. It sets the stage for a successful term. Set the expectations high and engage them immediately in activities and tasks.

The new board must have a clear understanding of the club's organization, mission and the vision of the club. Board members need to internalize the club's mission.

Require the general manager and board president to spend some time in the care and feeding of the board members. Inform them of trends, what other clubs are doing, have them read industry publications or view online club education and information.

Boards don't develop and gain strength through the

process of osmosis. Boards are successful because there are comprised of board members truly interested in the club's goals and objectives of its general membership.

They should be good communicators, diligent about knowing the issues. Exacting in their research, they should be someone who has the trust and respect of peers, excited about being a board member while arming themselves with the knowledge and intelligence of the club's experiences and traditions allowing for a continuing stewardship...while building a blueprint for the future.

A more informed volunteer board establishes the club's policy with commitment and gives management the ways and means to enact the policies, encouraging transparency in its dealings, with each fully aware of their roles and responsibilities.

Ultimately there must be a firm trust relationship and when this happens, general managers flourish, boards flourish, a club's culture flourishes, meaning continued success for the private club.

And that's the best cure for micromanaging.

At least that's the way I see it! **BR**

John G. Fornaro, publisher

If you have comments on this article or suggestions for other topics, please contact John Fornaro at (949) 376-8889, ext. 4 or 105 or via email: johnf@apcd.com



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