



**Private Club
Performance Management**

Organizational Values on the Go



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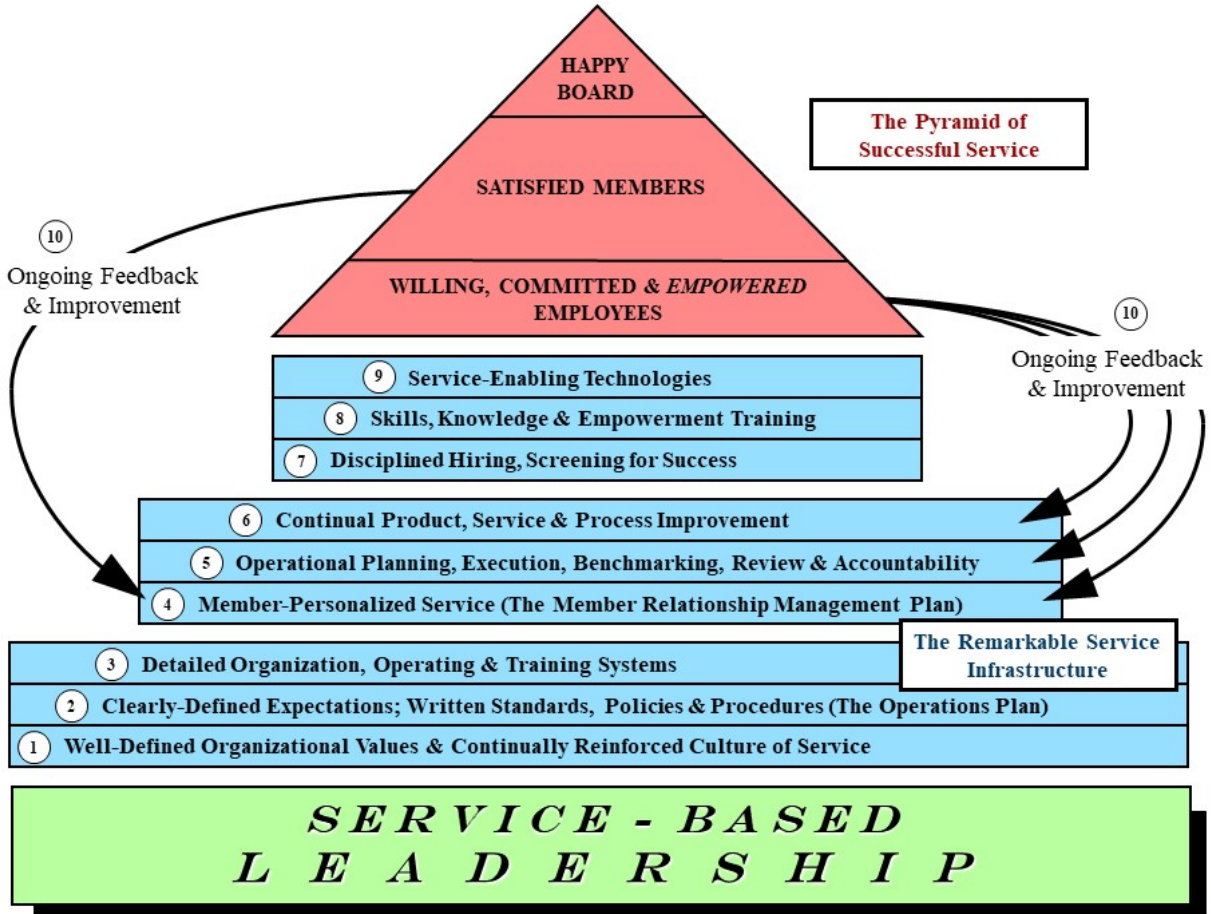
#01

Remarkable Service Infrastructure – 1

Teachable Moments

Just as a private club operation must have the appropriate amenities of a requisite quality – facilities that are conceived, designed, constructed, and paid for – so must there be proper preparation for the club’s staff to deliver quality service. In many ways the “soft” infrastructure is more challenging to build than its bricks and mortar counterpart. This is so because of one reason – the difficulties in getting a diverse group of people to work toward a common purpose of fulfilling the needs and desires of others. The proof of the difficulty involved is the near-universal recognition of just how rare it is.

Yet high levels of quality service can be achieved. Every year we read about those few companies that have cracked the code and figured out how, not only to satisfy their customers, but to “wow” them with Remarkable Service. And just as in building a dramatic club and golf course, the construction of the Remarkable Service Infrastructure requires a design based on a thorough understanding of the organizational systems and management disciplines necessary to deliver high levels of quality and service. The diagram below depicts these.



The Quest for Remarkable Service

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Take Away: The Remarkable Service Infrastructure presents an overarching plan to achieve remarkable service levels in private club operations.



#10

Vision

A vision statement briefly explains how a club will achieve its mission.

Here's a sample club vision statement :

VISION

How we expect to do it!

Through innovative programming, member-focused service, and principled service-based leadership, our club is dedicated to enhancing the value of club membership through the creation of high-quality facilities, services, and programming.

Our members have invested their time and money in our club and our service to them is to operate the club so as to add value to their lives and provide a refuge of camaraderie and conviviality from the busy world. In so doing, we aim to distinguish ourselves as the best club in our operating area.

Suggested Discussion Topics or Questions

What is a Vision Statement? *A Vision Statement is a short and clear explanation of how the club will achieve its stated Mission.*

Why should employees know this? *Employees should understand the Big Picture of what their club is trying to achieve and how they will do it.*

What are some of the ways our club distinguishes itself from other clubs in the area?

- *Well-defined values*
- *Continually reinforced culture of service*
- *Service-based leadership*
- *Written Standards, Policies, and Procedures (the Club Operations Plan)*
- *Proven Operating Systems*
- *Robust Activities Programming*
- *Others?*

Take Away: A Vision Statement provides a succinct, easy-to-remember explanation of the how the club will achieve its mission.



#16

Detailed Benchmarks

Guiding Principle: *Detailed benchmarks, constantly analyzed.*

The club benchmarks all areas of the operation and analyzes them for better performance and best practices.

Benchmarks measure operational performance. Over time, these become the operating standards for the club. Private Club Performance Management has identified key operating statistics for all operating departments and established spreadsheets to track benchmarks on a monthly, year-to-date, and year-to-year basis.

Department heads are responsible for benchmarking their operations and for providing completed benchmarking spreadsheets to the controller on a monthly basis. The controller is responsible for completing the monthly Executive Metrics Report. The general manager has overall responsibility to ensure all departments benchmark in detail.

Benchmarked operations allow managers to better understand the rhythms and flow of their business and enable them to intervene in a timely manner when performance is not meeting expectations.

Benchmarking is an important tool for operating more efficiently and improving performance.

Suggested Discussion Topics or Questions

What is a benchmark? *It is a standard measurement of operating performance determined over time by tracking key operating statistics.*

What should be benchmarked? *A wide variety of things can be benchmarks – operating statements, revenues, cost of goods, payroll, expenses, and work processes. The knowledge gained by benchmarking provides an invaluable understanding of a department's performance.*

Who is responsible for benchmarking? *Every department head and the club controller, but ultimately, the general manager.*

Why should benchmarks be analyzed constantly? *Every business has ebbs and flows. Business levels can vary by hour, day, day of week, month, and seasonally. Business levels dictate staffing schedules and inventories. Out of line benchmarks may indicate a serious problem or help identify a best practice to be implemented elsewhere. Paying attention to benchmarks will enhance your bottom line, particularly when monitored constantly.*

Tracking and monitoring retail sales, especially food and beverage will help department heads understand member preferences.

Take Away: Benchmarks will tell a manager far more about his operation than the summary information found in the monthly financial statements.



#19

Uncompromising Commitment

Operating Standard: *Leaders are uncompromising in their commitment to excellence, quality, and service.*

To serve the highest echelons of the community, club leaders must set and commit to the highest standards.

All our values, our culture of service, our goals to accomplish, our desire to provide remarkable service are just words on paper unless leaders are committed to their accomplishment. Without the “will to make it happen” and discipline and persistence of leaders at all levels of the organization, the club will never achieve excellence. Jim Collins summed it up perfectly in his book, *Good to Great*:

“Sustainable transformation follows a predictable pattern of buildup and breakthrough. Like pushing on a giant, heavy flywheel, it takes a lot of effort to get the thing moving at all, but with persistent pushing in a consistent direction over a long period of time, the flywheel builds momentum, eventually hitting a point of breakthrough.

*When [employees] see the **monolithic unity of the executive team** behind the simple plan and the selfless, dedicated qualities of Level 5 leadership, they’ll drop their cynicism. When people begin to feel the magic of momentum – when they begin to see tangible results, when they can feel the flywheel beginning to build speed – that’s when the bulk of people line up to throw their shoulders against the wheel and push.”*

When it comes to commitment to excellence, quality, and service, lip service doesn’t cut it. Leaders must “walk the walk” every day.

Suggested Discussion Topics or Questions

Why is our commitment to excellence, quality, and service so important? *Ultimately, it’s the only thing the club provides and as individuals who have chosen a career in club management, we take pride in our ability to provide such service to our members. Since we serve the high end of the community, our standards and performance must match the expectations of the members we serve.*

Why is remarkable service so challenging? *Because it requires managers to establish both the organization and disciplines of the Quality Service Infrastructure and we have to live the commitment by reinforcing it continually in all our dealings with employees. To do this, we must ensure that we have a complete understanding of our values and culture of service.*

Why do we talk about Jim Collins’ Flywheel? *Because success in our industry is only achieved by a continual and consistent “pushing” in the direction of quality to eventually achieve our “breakthrough.”*

How can I ensure that I “persistently push in a consistent direction over a long period of time?” *By wholeheartedly supporting our values and culture and using every opportunity to reinforce the message of excellence with employees. I can also foster this attitude of quality and service by setting an unimpeachable example for my employees in all my words and actions.*

Take Away: Why do what we do as club managers unless we’re committed to being the best?



#21

Rejecting the Status Quo

Operating Standard: *Leaders embrace innovation, initiative, and change while rejecting the status quo.*

Leaders seek continual improvement in all aspects of their operations.

We frequently hear members say, “What have you done for me lately?” The message behind this statement is “keep my club fresh, interesting, and sometimes surprise me with the unexpected service touches.”

Everything in life changes and the pace of change in today’s technologically driven world is breathtaking. Technologies that amazed us last year are now outdated. The expectations created by this pace of change cause successful businesses and operations to reject the status quo and constantly be on the look out for new and interesting ways to satisfy customers. Given that club members are a “captive audience,” it is even more imperative that we seek new ways to serve and entertain them.

One of the major criticisms we hear about clubs is that they are “old and stodgy,” meaning that they are tradition bound and do things the same old way. While traditions are an important part of club life, one of the traditions should be innovation and creativity – particularly when providing programming and service.

Suggested Discussion Topics or Questions

What are some of the reasons our members expect new and interesting things from their club?

- *Members are used to the fast pace of business and technology innovation*
- *They see innovation in other restaurants, health clubs, and businesses they patronize*
- *They want the latest and greatest gadgets and electronics; this desire for new things spills over to their club*
- *They see some new thing their friends have and they want them too*
- *They rightly have high expectations from their private club*
- *They want to be proud of the club they have joined and pay monthly dues to belong*
- *Others?*

There is always a better way to do things? *With sufficient time and focus, you can always improve your operations or activities. Someone once said that “if you can make something faster, lighter, or cheaper” than anybody else, you’ll become a rich man. We would paraphrase that to, “if you can make something more interesting, creative, and entertaining,” you’ll always delight your members.*

When someone says, “We’ve always done it that way,” what do they mean? *Usually they mean that they are too lazy, disorganized, or just going through the motions of their job to be bothered with trying to continually improve their operation.*

Take Away: Leaders can never rest on their laurels. They must continually work to improve all aspects of their operations and not accept things as they are – the status quo.



#38

Treating Employees with Dignity and Respect

Principles of Employee Relations: *All employees will be treated with dignity and respect. We will not tolerate discrimination or harassment in any form, or any conduct that is unseemly, unprofessional, or reflects poorly on the club.*

The people who directly serve our members, in what is a challenging profession, must be valued by their leaders at all times. Employee who have bad attitudes, do not meet our work requirements, or do not advance the mission of the club, must be discharged. All other employees must be given the necessary support and engagement by their leaders to do the best job possible.

Suggested Discussion Topics or Questions

List why mistreated employees will not serve you or the interests of the club.

- *If you are not loyal to your employees, they will not be loyal to you*
- *If you do not respect your employees, they will respond in kind*
- *If you don't care about your employees, they won't care about you or what you are trying to achieve*
- *If you don't look out for their interests, they won't look out for yours*
- *If you don't treat your employees with respect, they will not treat you or your members with respect*
- *If you are abusive to employees, the good ones will leave; only the poor ones will stay*
- *Providing high levels of service is all about attitude; being abusive to employees will foster bad attitudes*
- *Others?*

Take Away: The manner in which leaders view and treat their followers will have a great deal to do with how they perform and, ultimately, with the leaders' success.



#51

No Discriminatory Practices

Management Professionalism: *Biases, prejudice, disparaging remarks or jokes on the basis of race, creed, religion, gender, national origin, ethnic group, age, handicap, or sexual orientation cannot be tolerated. There is no place for bigotry or personal and cultural insensitivity in the workplace. While each person has his or her own biases and prejudices, do not let them interfere with your conduct and decisions as a leader.*

Such behavior demeans people. It demeans those who do it and those who are subjected to it. Since the club is the sum of its parts, words or actions that attack the self esteem of any employee damage our efforts as a whole.

No employee should be subjected to a hostile work environment or demeaned in any way. Such action damages the self-esteem of the individuals who make up your work team. Why would you or anyone want their contribution to the group effort to be impeded in any way?

Further, as a leader you have a responsibility to ensure that no employee is being demeaned by other employees in your department. Unless you step in to stop this, you are abetting the actions and by your own neglect creating a hostile work environment.

Suggested Discussion Topics or Questions

How does discrimination or the perception of discrimination damage your work team?

- *It demeans some team members*
- *It causes fractures in your team, making it difficult for people to trust one another and work well together*
- *It diverts your team's focus and attention from the task at hand to other issues*
- *It attacks the self-confidence of some team members*
- *It creates dissension*
- *Others?*

Take Away: The capabilities of your work team, section, or club is the sum of its parts. Damaging, denigrating, or limiting the capabilities and contribution of any employee, damages the club as a whole.

About the Author

Ed Rehkopf is a graduate of the U.S. Military Academy and received a Master of Professional Studies degree in Hospitality Management from Cornell's School of Hotel Administration. During his long and varied career, he has managed two historic, university-owned hotels, managed at a four-star desert resort, directed operations for a regional hotel chain, opened two golf and country clubs, worked in golf course development, and launched a portal web site for the club industry.