



Private Club Performance Management



Readings in Leadership & Management 2

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Employee Empowerment and Service-Based Leadership

John Tschohl, Founder and President of the Service Quality Institute, says, "Without empowerment, an organization will never be a service leader. Empowerment is the most critical skill an employee can master, and a company can drive in order to lure and keep customers." That statement from one of the country's leading thinkers on quality is strong and unequivocal. But just how does a company or organization "drive" employee empowerment.

The answer is simple and just as unequivocal – **Service-Based Leadership**.

Without effective Service-Based Leadership, not just at the top of the organization, but at all the intervening ranks down to, and most importantly, front line supervisors, the necessary relationships will never be formed with line employees. Here are some quotes that make the point:

- **"People who are unable to build solid, lasting relationships will soon discover that they are unable to sustain long, effective leadership."**
John C. Maxwell, *Developing the Leader Within You*
- "With Service-Based Leadership, the attitude and primary motivation of the leader is **service to others** - to customers, to employees, to shareholders. This approach to leadership **naturally creates relationships** - the deep and abiding bonds that sustain the efforts of the company."
[*Leadership on the Line*](#)
- "This leadership style differs from others in its **focus on serving the needs of employees** to provide them with the **proper tools, training, resources, motivation, and empowerment** to serve the company's customers."
[*The Quest for Remarkable Service*](#)
- "How can employees provide quality service **if they are not properly served by the leadership and example of their managers?**"
The Quest for Remarkable Service
- "As a group of people committed to common goals, you can only achieve your team's greatest potential by taking advantage of the talent, initiative, and ingenuity of every one of your employees. **To the extent that any individual is not valued, trained, and motivated, your enterprise suffers.**"
Leadership on the Line
- **"For employees to feel empowered, you have to create a culture that nourishes and sustains it.** By conscientiously and sincerely working to become **the best Service-Based Leader you can be . . . you will create an environment where employees will recognize their empowerment** and enthusiastically act on it in all they do."
[*The Power of Employee Empowerment*](#)
- "[None of the ways to kill empowerment] are caused by employees. **If your employees do not feel empowered, look no further than your leadership** and the way you interact with your people."
[*Leadership on the Line – The Workbook*](#)

Summary: Since employee empowerment ultimately depends only on **"the recognition by employees that they are empowered,"** empowerment is a direct result of an organization's systematic development and institutionalization of Service-Based Leadership.

Getting The Right People on the Bus

Good to Great, a book by Jim Collins, describes the groundbreaking study of publicly traded businesses that transformed themselves into great companies, each significantly outperforming the general stock market for fifteen or more years. Jim and his research team at Stanford University School of Business wanted to know what these companies did that made them so spectacularly successful. His findings are surprising, in some cases at odds with the common wisdom, and are based upon empirical evidence, not management or business theory.

One of the findings is that the good-to-great companies began their transformation by hiring the right people, or as he puts it, “getting the right people on the bus,” and conversely, “getting the wrong people off the bus.” While this concept of finding and hiring the right people seems commonsensical, it is surprising that out of 1,435 companies initially screened for the study, only 11 made the cut as good-to-great organizations – and all eleven sought first to hire the right people before they decided what they must do to transform themselves.

For those of us struggling with the daily challenges of our operations, the question arises, “How do we know we are getting the right person on the bus?”

While there are many different approaches and techniques for trying to find the right person for a position, the Disney Corporation has developed a successful hiring model that weeds out applicants who do not demonstrate the “right stuff” for Disney. They do this with the clear understanding that they only want to hire the enthusiastic, energetic, positive, outgoing people that make any visit to Disneyland or Disney World such a pleasant experience.

The CEO of a large hospitality and service company wanted to establish a similar model that presented a series of screenings to cull the applicant pool to a smaller group who possessed certain traits. The model devised worked like this:

1. Applications were taken at the Human Resource Office (HRO) by appointment only or walk-ins only during designated hours.
2. At the appointment, before they were given an application to fill out, they were asked to read our “Company Requirements and Standards” – a printed sheet explaining the high professional standards of the company, expectations for work ethic, and giving an overview of the corporate culture, dress & grooming standards, and strict accountability for standards and performance.
3. Applications were reviewed for information provided and qualifications.
4. Applications of qualified persons who passed the first three screenings were sent to the hiring manager for interview consideration. Managers could conduct initial telephone interviews and then held mandatory face to face interviews. At that interview they were given a copy of the detailed dress and grooming standards for the position.

First screening	<i>Could the applicants follow direction? Were the applicants interested enough in working for us to make an appointment?</i>
Second screening	<i>Were applicants on time for the appointment? Were they professionally or appropriately dressed and groomed? Were they scared off by the standards and requirements? What was their attitude and demeanor while interacting with the HRO staff?</i>
Third screening	<i>Was the application complete and legible? Did an applicant have the right qualifications for the position?</i>
Fourth screening	<i>How was their telephone presence? Did they walk into the interview with purpose and introduce themselves with a handshake and a smile? Were they enthusiastic and positive in describing their experience and what they could bring to our company? Did they have any hesitation or issues with the dress and grooming standards?</i>
Fifth screening	<i>Are they dependable and understand the appropriate professional dress?</i>



provide and reinforce important information to the new hire. Managers must make sure that orientations are welcoming and make all necessary introductions to both supervisors and peers.

3. **Train Well.** Both initial and ongoing training is essential. Most people want to do a good job and appreciate the efforts made to train them. Without adequate training and the necessary tools and resources to do their jobs well new hires will quickly become cynical and alienated. Never forget that their success guarantees your success.
4. **Organize Well.** No one wants to work in a chaotic environment. If your department or section is well-organized, if everyone knows where things are, if employees are well-trained in opening and closing procedures, if everyone knows their responsibilities and is held accountable, the workplace runs almost effortlessly. Don't run off good people by putting them through the hell of a disorganized operation.
5. **Communicate Well.** Daily interaction and direction ensure that everyone is informed, knows what is going on, and what they must do individually to accomplish the tasks at hand. It is also instrumental in building teamwork and a sense of shared values and mission. The *Daily Huddle*, or some other form of pre-shift meeting, is a necessary discipline to ensure ongoing, consistent communication.
6. **Value Them Well.** Remember the ultimate value of people in all you do. Value your employees and they will value you as a leader and their efforts at work.

The bottom line is that your leadership is the essential element in your success. If you have high levels of turnover, there is no one to blame but yourself.

Rules of Engagement – Just How Friendly Should Your Employees Be

Club managers are always on the lookout for those rare individuals with engaging personalities – those people who are naturally outgoing and friendly and who can connect effortlessly with members. And while we all would agree that such employees make service and service delivery a snap, it is also important to recognize that some employees need coaching on boundaries and the appropriateness of overly friendly service.

While many members appreciate and enjoy their interactions with service staff, even engaging in playful banter, chit-chat, and teasing with employees, there are also those members who expect a more formal level of service. It is also often the case where the member who likes to “play” with employees when in the bar after a round of golf, does not want the same level of engagement at Sunday brunch when family and friends are present.

The challenge then for any employee is to assess each service situation and gauge the member's mood and interest in engagement. Here are some of the factors involved:

Time of Day and Day of Week: The time of day can have a great deal to do with a member's interest in engagement. Some are not morning people and don't appreciate noise, exuberance, or conversation early in the morning. If a member has his nose in the paper, he probably doesn't want any more than polite and efficient service. On the other hand, Friday and Saturday night cocktail hour is a time of conviviality and sociability and an employee could expect a more playful interaction.

Occasion: Dr. and Mrs. Jones celebrating their anniversary will probably appreciate discreet service with as few interruptions as possible. Service should still be prompt and attentive, but servers should take their cue from the intensity and privacy of the couple's conversation. Conversely, a group of ladies coming in for lunch after a morning of shopping probably keyed up and looking forward to a fun time together. The same group while entertaining the renown keynote speaker for their lecture series would expect a more distant and detached

The Absolute Importance of Benchmarks in Continual Process Improvement

Without a means of measuring improvements, it is impossible to gauge the benefits of any changes to the operation. But before you can evaluate the impact of any changes, you must know what the operating standard is (i.e., the existing benchmark or “baseline” of any operation, event, or process). When you know your operating standard, you can then compare changes in the standard as a result of new initiatives or changes to the operation. For example:

The Food and Beverage Director determines that with improved product training servers will be better able to “upsell” wines to diners. Because she tracks her numbers of bottles of wine sold per day, week, and month, she knows that her staff typically sells 47 bottles of wine per month at an average sale of \$16.43. After several weeks of intensive wine training for her employees, she begins to see the number of bottles sold creep up, along with the average sale. After four months, her new operating standard is an average of 71 bottles of wine sold per month with an average sale of \$19.12. Further, because she benchmarked which wines were selling well and coordinated her wine purchases with the chef’s new menu offerings, she was able to offer a new selection of higher margin Chilean and Australian reds.

Summary

Continual Process Improvement is a discipline found in most successful enterprises. It is done with the understanding that in a competitive marketplace what you do successfully today, may not be successful tomorrow. In a world where rapid change and innovation have become the norm, we can only maintain our reputation for quality service by continually working to improve that service. In the words of our members, “What have you done for me lately?”

Benchmarking Operations – A Cautionary Tale

Two airplanes sit on runways separated by 80 years of time and light years of technological innovation. The first plane is a WWI era Gypsy Moth carrying a pilot and passenger, the other a fully loaded 747 with 314 passengers and 52,000 pounds of fuel.

The pilot of the Gypsy Moth looks at his instruments – a fuel gauge, an altimeter, and a compass. He is ready to go and throttles the engine to full power. He bounces down the runway, is airborne in a few hundred feet and sails off into the morning sky. An hour later the plane crashes into a field killing both pilot and passenger. In examining the wreckage, it was determined that, even before takeoff, the engine was leaking oil causing it to seize in mid-flight.

Meanwhile, the pilot of the 747, as he made final preparations to takeoff, heard an alarm that indicated the hydraulic pressure that controlled his vertical stabilizer was low. Notifying the tower and disappointed passengers, the pilot returned to the jet way. Three hours later after a minor, though critical repair, the flight took off and flew safely to its destination.

Flying Blind

These fictional examples illustrate the importance of measuring operating performance. The pilot of the 747, taking advantage of engineering, technology, and aircraft evolution, had a host of gauges, dials, lights, and alarms to keep him informed of the condition and performance of all aircraft systems. The pilot of the Gypsy



Hand in Glove – Benchmarking and Budgeting

The first step in establishing an operating budget is to forecast revenues. Until some measure of anticipated income is projected, the level of variable payroll and operating expenses is pure guesswork. For existing operations, it is easy enough to look back at preceding years' revenues and project accordingly. It is far more difficult in startup operations where even the guesstimates of the most experienced operator are suspect.

Yet even with operating histories at hand, the person preparing the budget must have some understanding of the interplay of volume and average member expenditure which underlie all revenue projections. This is important because the factors that bring a member to an establishment are far different than those that influence how much he or she spends. These two factors – volume and average expenditure – are key items to benchmark in any operation and are easily determined from point of sale or cash register reports.

As an illustration I shall use a golf course operation, but the same would apply no matter what product or services are sold. In our example, revenues come primarily from green fees, cart fees, merchandise sales, practice range fees, and food & beverage sales. The underlying volume benchmark is how many people use the golf course – the rounds of golf played.

	Oct	Nov	Dec	Annual
Rounds of Golf	3,135	2,703	2,274	27,484
Revenues				
Green Fees	\$66,875	\$54,268	\$44,569	\$607,892
Cart Fees	\$39,904	\$33,267	\$27,224	\$352,852
Merchandise Sales	\$5,295	\$4,726	\$6,790	\$68,159
Range Income	\$4,148	\$2,670	\$3,323	\$37,892
Food Sales	\$6,436	\$6,245	\$5,247	\$64,268
Beverage Sales	\$3,624	\$3,139	\$2,876	\$35,698
Total	\$126,282	\$104,315	\$90,029	\$1,166,761
Revenues/Round				
Green Fee/Round	\$21.33	\$20.08	\$19.60	\$22.12
Cart Fees/Round	\$12.73	\$12.31	\$11.97	\$12.84
Merchandise/Round	\$1.69	\$1.75	\$2.99	\$2.48
Range Income/Round	\$1.32	\$0.99	\$1.46	\$1.38
Food Sales/Round	\$2.05	\$2.31	\$2.31	\$2.34
Beverage Sales/Round	\$1.16	\$1.16	\$1.26	\$1.30
Total Income/Round	\$40.28	\$38.59	\$39.59	\$42.45

Sample Benchmarks Computed by Dividing Revenues by Rounds

By tracking these key revenues and golf rounds on a daily, monthly, year-to-date, and year-to-year basis, we can derive the following benchmarks:

- Green fees per round
- Cart fees per round
- Merchandise sales per round
- Practice range income per round

How Secure is Your Club

Security is the overall responsibility of the club's general manager but is usually delegated to department heads in various areas of the operation. These individuals have close contact with and daily supervision of their areas and are in the best position to ensure their security.

Areas of Specific Concern. The following areas, because of the value of items maintained therein, should have assigned responsibility for security and written opening and closing procedures to ensure that they are always properly monitored or secured .

- **Retail Shops and Storage Areas.** Retail shops have large, expensive, and desirable inventories and should be closely controlled. Closing employees must be trained and held accountable for properly securing the retail and storage areas. Because of the value of the inventory, retail outlets will normally have security systems to include door contacts, motion sensors, and video cameras.
- **Food Storerooms and Walk-ins & Alcoholic Beverage Storage.** The same applies to any areas that contain food or alcoholic beverage stocks.
- **Kitchens & Bars.** Kitchens and bars not only have stocks of food and beverage, but also valuable equipment and supplies. Also, they are among the last of club facilities to close for business. Assigning responsibility and accountability for security of these areas is of paramount concern.
- **Cart Barn.** The cart barn or storage area contains high value equipment and supplies and is usually open later than the golf shop. Often, line employees are left to close without management supervision. The same is true for bag storage. In some cases, members have thousands of dollars invested in their golf clubs and bag. Further, the club charges an annual fee for storing the members clubs on the premises. Theft of members' equipment is extremely embarrassing to the club and warrants extra efforts to protect the members' investment.
- **Pools and Fitness Areas.** Swimming pools and fitness areas represent both a security and a safety hazard. While there is some danger of theft of equipment, the larger concern is of unauthorized use and vandalism.
- **Golf Course Maintenance Shop.** Again, in resorts or club operations the Golf Course Maintenance facility is filled with high-priced equipment. Add to this, the usually remote (and often concealed) location, and it can be a tempting target for thieves. Having an appropriate and monitored security system is essential to protect the club's large investment here.
- **Exterior Doors.** Clubs usually have multiple exterior doors. Many are designed for exit only and are in remote portions of building exteriors. Often these are designed with alarms in the case of unauthorized opening. But despite the alarms they need to be checked to ensure that alarms have not been disabled and they have not been propped open by members or employees.
- **Employee Entries and Loading Docks.** These entries into buildings require security devices, including cameras, as well as well-defined policies and procedures as to whom is authorized to use these entryways and what safeguards are in place.

Summary. The effort of all security practices and devices should be the prevention of loss and the safety of members and employees. While well-designed security systems can go a long way to limit the club's risk, it is for naught if employees are not properly trained to operate the systems, accountability for security matters has not been assigned, and all managers and supervisors are not vigilant regarding security matters. In the final analysis, technology can be a great aid to ensuring security, but ultimately the security of a club operation rests upon the ongoing interest and vigilance of its management.

Safety

Of the many responsibilities facing club managers and supervisors, none is as important as maintaining the health and safety of members, guests, and employees.

To this end, it is incumbent upon each manager to ensure the safety of those areas of the operation directly under his or her control. This must be done by conducting regular safety inspections, identifying and correcting safety hazards in a timely manner, properly training employees, establishing a high degree of safety consciousness in the organization, analyzing all jobs for inherent safety hazards, preparing plans to deal with emergencies, and collecting and analyzing safety benchmarks.

General Manager Responsibilities

The club general manager has ultimate responsibility and authority to ensure that the club provides a safe environment for members, guests, and employees. As a result, he or she is responsible for developing a Safety Plan for the club (see *Club Safety Plan* on the PCPM Marketplace store.)

Often, the general manager will appoint a safety manager who is charged specifically with developing and implementing the Safety Plan and ensuring the ongoing safety of club premises and work practices. Other safety related responsibilities include:

- Maintaining oversight of the Safety Manager's efforts.
- Ensuring the development of a safety "consciousness" among all management and supervisor staff.
- Being actively involved in safety issues, supervisory training, and hazard discovery and correction.
- Ensuring proper maintenance of all furniture, fixtures, equipment, and machinery.
- Monitoring and analyzing safety benchmarks.
- Ensuring thorough investigation of all accidents and determination of corrective action.
- Meeting all Occupational Safety and Health Administration (OSHA) and local health and safety requirements.

Management Responsibilities

Managers and supervisors must meet the following responsibilities:

- Identify any safety hazards in their areas of responsibility.
- Analyze departmental positions for inherent safety hazards.
- Modify work practices or workspaces to reduce hazard risks.
- Ensure proper training of employees in all matters relating to safe work practices and work environment.
- Cooperate with the Safety Manager in conducting routine safety inspections.
- Correct all deficiencies noted in such inspections in a timely manner.
- Investigate and analyze accidents to determine unsafe condition and causes of accidents.
- Promptly and properly complete Accident Reports when necessary.

- How they are controlled.

Summary

Safety is not to be taken lightly. Planning for a safe club environment must be done before a serious accident, injury, or death. Afterwards you can only live with the consequences and the nagging sense that there was always more you could have done to prevent it.

Make It Sparkle!

When one considers all the things that go into making a club distinctive and appealing to its members, one of the most visible is its cleanliness. Whether a club has its own housekeeping staff or contracts with a cleaning service, cleanliness is an essential element of a quality club operation. As with any other aspect of quality, standards must be defined and ensured.

The following list includes some of the essential areas that must be monitored for a high level of cleanliness:

- **Entryways** are one of the most visible areas of the club through which every member and guest will pass, and often make the first impression of any visit to the club. Sidewalks and pavers must be constantly blown or swept. Cigarette butts must be policed continually; trash or butt cans must be cleaned and emptied frequently. The entry door must be appealing. Smudges and handprints on glass doors or sidelight windows are unsightly and require constant wiping. The doorsill or plate has edges and grooves that collect dirt and debris and is often overlooked. Entry walk-off mats need to be removed and cleaned daily.
- **Restrooms** are areas where members expect the highest level of sanitation and cleanliness. They are used constantly and need constant attention. Sinks and counters need to be wiped down. Mirrors get splattered and must be cleaned. Trash cans, particularly on busy occasions, can overflow with hand towels and waste. Supplies must be checked and replenished as usage levels dictate. When the club hosts large events or parties, a dedicated member of the housekeeping staff should be available to check and refresh the restrooms periodically.
- **Dining Rooms and Bars**, because of the food and beverages served, must be kept clean and “appetizing” at all times. Trash cans must be emptied frequently, wiped down, and sanitized to avoid offensive odors. Carpets around tables and chairs receive spills and dropped food items. They must be vacuumed thoroughly daily and shampooed with some frequency. The furniture itself must be cleaned daily to prevent food buildup. Young children can make a mess of highchairs with each use. These must be cleaned and sanitized after each use. Menu covers can quickly get smudged and grimy and should be cleaned or replaced often.
- **Lobby or Seating Areas** often have large overstuffed furniture. These should be vacuumed daily, particularly the cushions which collect dust and debris, under cushions, and along raised seams. Tables and bookshelves need to be dusted daily.
- **Picture Frames, Paintings, and Window Molding** need frequent dusting and are often overlooked, particularly if high on a wall.
- **Windows** allow light to enter **and Mirrors** reflect that light. Often one doesn’t notice how dirty they can get until light hits them in a certain way and this will most certainly be noticed by members and guests.

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 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.