Common Sense Strategic Planning for Private Clubs #1

By Karl Sheffield

PREAMBLE

When John Jordan asked me to write a series of articles for this publication, I thought about it for a few minutes, and then I said yes. It is unusual that one responds so quickly and positively to an invitation to do so much work for free, but I think I have good reasons. First, there is the anticipated joy of doing something useful for someone else. My little ego tells me that my background and experiences in strategic planning can be of some service to Master Club Advisors and their clients. Secondly, I have never taken the time to write a summary of the keys to success in strategic planning targeted for private clubs. It is time that I did it. Finally, a strategic planner would not be worth his own salt if he could not do that which he encourages everyone else to do, summarize and clarify.

I read the last four issues of Club Management Perspectives. I am impressed with the plain talking, conversational and personal style of the articles. I believe that this is the very best way to communicate in a publication such as this, plain talking. Good strategic planning takes many different forms, from highly sophisticated planning for Fortune 500 companies to plain and simple for small organizations. Furthermore, there is *strategic planning theory* and there is *applied strategic planning.* Before we start strategic planning for a private club we should have a clear idea of the end product we seek. Otherwise we will likely end up chasing our tails to no avail.

These articles will be all about how to do strategic planning for your private club and then apply the plan to get the results you want to get. We won't touch all the bases, just the important ones. We only have so much energy and time. We will not seek perfection. We will define our objectives, gather the best inform-ation we can get, evaluate our options and make a plan. A pretty good plan put together in a timely fashion, is far better than no plan at all. A pretty good plan is infinitely better than a complex plan that is too long, too confusing and too much to suffer. A complex plan is doomed from the start, and a simple plan has a good chance to make a big difference for your club.

Let's pause for a moment and attempt to define the strategic plan for the private club. It is different than a strategic plan for a commercial enterprise. We are not in search of increased market share, increased return on investment and increased stock value. Our success will be measured in increased membership values and club values. Our payback will come when members value their membership more, support the club more, when more high quality candidates seek to join our club, when the future of our club is assured by the perception of increasing intangible values. So, how shall we say it?

A private club strategic plan is a living document that defines the visions and objectives of the enterprise and provides the methods to realize increasing membership values, club continuity and excellence in reputation.

This article will be the first of six articles that we will call "*Common Sense Strategic Planning for Private Clubs.*" One will appear in each issue of "Club Management Perspectives" for one year. It helps me to write these articles specifically for private club managers, boards and members of private clubs. This way we can zero in on the key strategic planning elements that are common to private clubs. Private club members, boards, committees, finances, facilities, staff, food service, social and athletic programs create a unique business environment. Let's focus on strategic planning in this environment, your real world. We will have fun.

ASSUMPTIONS

All good planning begins with a clear set of fundamental assumptions. This makes it possible for us to start this process "all on the same page." Sometimes written assumptions seem to be mere statements of the obvious. Nevertheless, they must be put down in bold print, looked in the eye and agreed upon before a strategic plan is begun. Here is a good place to start. These samples will help us understand the value of assumptions.

Assumption # 1:

An active and effective strategic plan is a valuable tool for private club boards and managers. True or false? If you believe this is so, great. This assumption is a basic focus of this work. If you believe this is not so, either you need to change your mind or you don't need to read further. Maybe you believe that success in this business comes from hard work, getting along with people and the luck of the draw, or whatever. You don't want to spend time thinking about who we are, where we are, what is going on around us, where we want to be, and how we will get there. I hope to change your mind, but maybe I won't. The decision will be yours. If you don't do anything then I will have failed.

Assumption # 2:

The vast majority of private clubs do not have an active and effective strategic plan. Watch out! The key words here are active and effective. "Long-range-plans" that are tucked in a desk drawer, preserved but unused, do not count.
Financial spreadsheets forecasting budgets for the next year or so do not count. Manuals and guidelines do not count. What counts are real living and breathing strategic plans that are a source of critical and ongoing policy-making. All members of the board and all key management persons understand this plan and are guided by its content. The strategic plan makes a big difference for the betterment of the club, ensuring the ongoing stability and prosperity of the club. The Club's Director of Strategic Planning, in consultation with the board and club management, reviews and updates the strategic plan every year. You got one of these?

Assumption # 3:

The Simpler the Better. Henry David Throreau said it best; *"Simplify, simplify, simplify."* We will bore in on only a handful or so of the most critical factors that will have the most impact on the success of your club. Where does your club stand today? Where do you want to be five years from now? What is the most important factor for success in your club? What is second? What is third? Why are these factors so important? Where do you stand on each of them today? What are your goals near term and long term? What strategies are most likely to make it possible for your club to attain these goals? This is terribly simple. How many clubs really know where they stand on these priorities?

Is it more important to upgrade the quality of our club's membership or the quality of our club's facilities? Think outside of this box for a minute. Is it more important that your family saves for the children's education or for a new place at the beach? Simplify the questions. Simplify the answers. And then do it. Much more to come on this later.

Assumption # 4:

Working models are a big help. In WWII the Russians took downed enemy aircraft and copied them. Not a bad idea for central planners. It would have been even better if they had access to the actual engineers that built the originals. They could have built even better ones, learning from experience. If we have a working model of a successful private club strategic plan, why not use it as a reference? It is easier to modify a working plan to our own situation, than it is to "invent the wheel" again. We can make it fit our situation. The trick here is to learn from a successful model, not to copy it. Memorizing good poetry will help us learn the beauty of poetry. It won't make us poets, but it will sure help us understand good poetry when we see it. We will talk about this more in the near future.

Assumption # 5:

Without champions, good strategic plans don't happen. Too bad, hard fact, but 100% true. Someone in your club must pick up this sword and lead the charge. The ideal person is the Club President. If he or she will not or cannot take this responsibility, than a strong member of the board will do just fine. If there is no one on the board capable or motivated, then a qualified member selected and appointed to the board as the Director of Strategic Planning can work well. Sadly, a governing board of any club without strategic planning leadership is a weak board. Clear visions and goals, sound strategies, good stewardship and policy-making, these are the primary responsibilities of the board. The Club Manager should never be the Director of Strategic Planning, but a knowledgeable and supportive general manager is a huge asset. He can become the "right hand man" in the project. Not only is he able to make a valuable contribution to his club, he can take his own level of club management skills to a higher level. He helps his club and his career at the same time. A good bargain for all.

NEXT STEPS

In future articles we will get into other important subjects such as getting started, situation analysis, the keys to success, priorities, modeling, etc.

If you understand and agree with this article, you will understand and agree with the content of future articles. It does not get harder as we go along. Inspiration, perspiration, dedication and guts it takes. Add a generous serving of common sense. A 1,500 SAT is not required, thank goodness.

If any of you readers have any comments, suggestions or questions for me, please send them my way. I will do a better job of writing these articles if I get feedback from you as we go along. It is more important that I satisfy your curiosity and concerns about strategic planning than it is that I write for myself.

The value of good strategic planning far outweighs the effort put into it. The return on investment is exponential. Guaranteed.

Please know that I hold your profession in high regard. I want to help you if I can.

See you next issue. •

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Common Sense Strategic Planning for Private Clubs #2

By Karl Sheffield

This is the second article in a series of six for this publication. The first article appeared in the March/April issue of *CMP*. It addressed the importance of common sense strategic planning, definitions, assumptions, and next steps. If the reader is in general agreement with the context and conclusions of Article # 1, I hope that he or she will read with interest this Article #2 and look forward to future articles. Here we start moving into the most important practical matters that a club will face when it intends to create a common sense strategic plan for itself.

Do You Believe?

In order to be successful at any endeavor, one must be a sincere believer in the worth of the endeavor. If a club embarks on a strategic planning project without fire in the belly, without a strong commitment to a successful conclusion, that club is wasting its time. Believing in the cause is critical. Writing a strategic plan because "we ought to have one" is not a good idea. Half-hearted measures don't work, as follows.

It is common for a private club to have a long-range planning committee. Sometimes it is composed of senior members who are selected for their years of experience in the club. A member of the governing board may be appointed as the chairperson or the president of the club may serve as such. This committee may meet a couple of times a year and talk about the past, present, and future of the club. Issues and concerns are discussed. Minutes are kept. However, in fact, no specific action-oriented plan ever emerges. No complete and useful plan ever reaches the board for its approval and action. This kind of long-range planning is worse than no planning at all. It creates a false illusion that the club has a plan. It is better to start from scratch even if some feelings are hurt.

Gut check your beliefs before you start strategic planning. Unless you are very serious and determined to see the project through to the finish, you will fizzle out along the way.

Long-range Planning versus Strategic Planning

What is the difference between long-range planning and strategic planning? There may not be much difference in the minds of many, but there is a big difference in my mind. I will explain.

Long-range planning suggests something out there in the future. It feels like something that one gets around to doing when all of the other important things are done. The name itself induces a sleepy feeling. After all, it is long-range. If we don't get around to it this year maybe we can do it next year. Let's take a nap and think about it.

Strategic planning is planning for now. We all need good strategy now, not sometime in the distant future. I argue that strategic planning and the management of strategic actions is the primary responsibility of the governing board. The board's foremost responsibility is dealing with big picture issues. Who are we? Where do we stand? In what direction are we going? What are our key objectives and strategies? What are our strengths and weaknesses? What major threats or opportunities deserve our attention in order of importance? What strategic points of emphasis deserve our most focused attention now, and what matters should be delegated to committees or be deferred? This is why we have boards. Boards are not for fussing about the wine list, complaining about the sand traps, or critiquing the valet service.

> *"Without a solid and living strategic plan a governing board is a ship without a rudder. Without a long-range plan the governing board is unlikely to know the difference. Check it out at your club."*

Leaders and Planners

We need them badly. Without these guys we remain stuck in the mud on all things, and we decline. With them the world is much better.

What is the difference between a leader and a planner? Not much. A good leader must be a good planner, and a good planner must be a good leader. A strong planner is the key ingredient for any club that is going to have a successful strategic plan. An effective planner is not a technician. He is a leader that is able to develop, translate, and articulate the best possible goals and strategies of the club into a living document through his or her fellow members.

Who will lead your club into the development of a superior common sense strategic plan? This is the key question that must be answered correctly, or all that follows will be in vain. With the right leader-planner in charge of your strategic plan development you are practically guaranteed eventual success, and visa-versa. How do you spot this person?

One is either a planner or one is not. Most people are not. This is a cruel thing to say, but I believe that it is true. For example, how many times have you been in meetings that have droned on and on where members complain about issues, dramatize problems and antidotes, and debate what "ought to be done?" Many? How many times in such cases has the chairman stepped forward at the right time and said, "I think I now understand the key issues and our preferred options. Let me go home and put together a proposed plan of action defining our goals, the current situation, the opportunities, the preferred solutions, and the desired outcomes. I will send a copy to everyone next week for discussion and resolution at the next meeting." Lo! Our chairman is a leader and a planner. Blessed is our committee! Whoever this member is, he or she should go to the top of the candidate list for chairperson of the strategic planning committee. There are not enough of these folks around.

The Role of the President of the Club

Private club presidents are elected for many reasons.

Typically:

- Years of membership and demonstrated loyalty to the club
- Service on various committees and the governing board
- Popularity with fellow members
- Willingness to give of his or her time and energies for the club
- Personal characteristics of honesty, integrity and fairness.

As desirable as these values are, they do not guarantee that a club president is a visionary, a leader, and a planner. Many club presidents tend to be keenly interested in operational matters and unintentionally ignore the big picture. They focus on finances, the condition of the golf course, the quality of food and beverage service, things that they can touch and see. If the budget is met and members compliment the dining room and the greens, they consider that their term of service is a success. And, of course, in some ways it is.

Meanwhile, there may be an incipient and growing problem in membership, a gradually declining competitive position in the market, weaknesses in management and staff development, and club growth opportunities ignored. When the Roman Empire was at its zenith of glory and power, decline had begun. When we feel good about how our club is doing, it is the right time for strong strategic analysis and planning. When things are not going well is also the right time for effective strategic planning. Band-aids won't fix internal sickness. Good common sense strategic planning is invaluable in all cases at all times.

The most important job of the president is to lead the club strategically. A club that has a president who understands this principle is fortunate. He or she will be able to lead the club into the development of a winning strategic plan. This does not mean that he will write it himself. It means that he will lead, he will support, and he will ensure the success of the strategic planning initiative.

If your president is not a strategic thinker, strategic planning is a very uphill battle. He or she is likely too busy fretting over daily operations. Don't throw your seeds on rocky ground. Good strategic planning requires open minds and fertile soil. Consider electing a strategic leader as the next president. Start then. •

Next

In the next article we will preview the key elements in a successful common sense strategic plan for your club.

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Common Sense Strategic Planning for Private Clubs #3

By Karl Sheffield

Do It Yourself

Assuming that you have read articles # 1 and # 2 on this subject, we move forward. One nice thing about writing these articles for *CMP* for free is that I can say what I really believe without concern for editing or political correctness.

The simple strategic planning strategy that I advocate for most private clubs is DIY. I know that there are many well-educated and professional strategic planners in this great country. You may feel that your club needs one of these experts to write a first class strategic plan for you. Feel free. However, in the long run, a simple plan that you write for your club has a much better chance of success. When you and your associates put your time and your hearts into the project, you have invested something much more precious than the fee paid to the expert. I am in favor of a little coaching as needed. Beyond that, I urge you to do-it-yourself. When you do so, your plan is far less likely to end up on a shelf gathering dust. Your plan with a heart will be the best plan by far.

This is why I spent most of the first two articles talking about background and set-up issues. Remember the importance of the commitment of the governing board and the president to strategic planning. Remember the critical importance of identifying a qualified and committed "champion" member to lead the strategic crusade and write the plan. Remember the emphasis on determination, focus, and patience to get the job done successfully over time.

Like raising children, learning to use a computer, or planting a garden, the secret of successful common sense strategic planning is learning to muddle along and keep on muddling until you succeed. There are so many issues out there, and there is so much to learn and digest. I can give you an outline for the work to be done. I can give you some definitions and my general sense of priorities. I can warn you of some of the pitfalls. It will be up to you to discover the many opportunities that lie ahead in your strategic planning journey at your club. This is the beauty of the DIY process. As you chug along you will find new opportunities under every rock. Great personal satisfaction lies at the end of this rainbow.

Nobody can care as much about your club as you do. Rare is the private club that does not have within its membership all of the intelligence and talents necessary to create an excellent common sense strategic plan. Don't assume that your club does not. Don't assume that your membership may have the skills to do the job, but no one will accept the responsibility. Believe that your club is not leadership-impaired. There is a "champion" in your club. It may be you! Your club needs and deserves an effective strategic plan. Surely you are not a member of a private club that will be satisfied to drift into the future hoping for the best. Don't let this happen to your club. Find the "champion." Staff the SPC.

> *"The simple strategic planning strategy that I advocate for most private clubs is DIY. (Do It Yourself)*

THE STRATEGIC PLANNING COMMITTEE

The ideal strategic planning committee (SPC) is chaired by the president of the club, assisted by the treasurer and one additional strong member of the governing board. This ideal is hard to get. It assumes that the president and the treasurer have enough time to preside over the club and lead the SPC at the same time. This may not be possible. You probably will need to select worthy surrogates. The committee must be powerful, visionary, intelligent, and committed to success. It must have the 100% support of the president and the governing board in the form of a written charge to the committee. It also should be small.

The first job of the committee will be to communicate clearly to the membership your strategic planning vision for the club. You will be surprised pleasantly by the amount of support that you will get from the membership. Let them know that you will need and appreciate their help. Plan to keep the membership informed every step along the way. Seek and welcome their feedback. At the end of the process, when you are ready to present the new strategic plan to the membership, it is so much better to talk about "our plan." Never create the image of geniuses working behind closed doors. Never look like Moses coming down from the mountain with the tablets in hand.

The SPC will make a full report to the governing board every month during the construction of the strategic plan. The board will officially approve of the work of the SPC at each meeting, or resolve why not. In your monthly club bulletins keep the membership updated in general regarding the progress of the SPC.

SKILLS

By now I suspect that you have a pretty good idea of the skills required to chair and/or serve on the strategic planning committee (SPC). Let's be a little more specific:

- The Chairperson: He or she will be of executive caliber. He will have substantial corporate business experience in management and business planning. He will have imagination, organizational skills, and the ability to mobilize a team. He will have the trust and respect of the membership. He will be your "champion."
- The Numbers Person: He or she will be a CPA. He will be skilled in financial analysis and comfortable with Excel or such. He will be solutions oriented. A can do person.
- The Other Member: He or she will be a communications-minded member. He will be close to the membership at all times and enjoy the role. He will help the committee understand the character

and sense of the membership. He will help guide the membership in directions most beneficial to the successful outcome of the strategic plan. He will be the membership liaison officer.

- The General Manager will serve as an ad hoc committee member. He will be a valuable source of experience and information.

TIMING

Assuming you are starting from scratch, or almost scratch, expect to take at least one year to complete your first good common sense strategic plan. Of course it can be done in a shorter time. You can "write" a plan in a few days. Writing is easy. It is the research, communications, and analysis that require patience and time. We also must recognize that your director of strategic planning is a member who has another life. Serving the club probably is not his full time job. He needs time for committee meetings and dialogues with members, staff, and outsiders. Considerable time will be spent in personal study and evaluation of options. Don't rush it. One year is a pretty good benchmark.

TOO MUCH WORK YOU SAY?

Where will we get the fully qualified members to do this heavy lifting? Who is willing and able to take on this job? Most private clubs have very capable members who serve as board members, club officers, chairs of golf committees, social committees, house committees, finance, etc. These are time consuming and challenging jobs also. The SPC job is new (in many cases) and it deals mostly with intangibles and ideas. It is the unknown aspects of this new job that may intimidate some prospects. It will excite some of your most forward-thinking members. There are good and capable members in your club who will enjoy the challenge of strategic planning. You may find some members who are experienced planners. Many of us had much rather wrestle with ideas than the interior design of the clubhouse or the dollar spots on the greens.

THREE LITTLE QUESTIONS

Good common sense strategic planning is very simple. All we have to do is answer these three little questions:

1. Who are we?
2. What do we want to be?
3. How will we get there?

Answer these questions and have a great plan.

HALF-TIME

This article # 3 marks half time. There are three more articles to go. Let's take a break. In the first three articles we focused on background, general principles, vision, and a little philosophy. I trust that now we are all on the same page, more or less.

Starting with article # 4 we will shift over to task management, putting the plan together. In the next three articles we will address the three little questions. •

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Common Sense Strategic Planning for Private Clubs #4

By Karl Sheffield

Heroes Are Good for Us

Want inspiration, a vision, and the courage to carry on to accomplish a successful common sense strategic plan for your club? Think about heroic thinkers. For our heroes let's take Socrates (Thinking for Oneself), Emerson (Self-Reliance) and Paine (Common Sense). Reading the profound words of these great old thinkers is more brain strain than most of us can endure. All I ask is that we agree with their heroic principles, thinking for ourselves, trusting ourselves, and using common sense. Such is the basis for all I have to say.

Plunging In

My dear readers know that at the conclusion of article # Three in the last issue of this publication, I promised to get down to the business of constructing The Plan. We have talked enough about the reasons, the logic, and the commitment. We now plunge into the planning process.

Good common sense strategic planning for private clubs comes down to our ability to answer three little simple questions:

1. Who are we?
2. What do we want to be?
3. How will we get there?

As we muddle through these questions one by one, our common sense plan will emerge like the genie from the bottle. When our heroes first sat down to think, they muddled also.
Thinking for Oneself, Self-Reliance, Common Sense – what is this stuff all about? Welcome to Muddlers Anonymous; you are in great company.

Who Are We?

The answer to this question is the starting point for the successful common sense plan for your club. We all have heard the old axiom: "If we don't know where we are going, any road will take us there." I add that knowing the place from which one starts is of equal importance. So it is with your club.

Glorious visions not rooted in common sense are foolish. Aiming to be like Augusta National is a very poor goal for 99.9% of all private clubs. Your club has a history, traditions, facilities, and a membership with interests and values that are embedded. No existing club starts strategic planning with a blank sheet of paper. Knowing who you are comes first. Knowing these things does not help unless you can write them down on paper and agree on them. Then you can begin to address what you want to be with good common sense.

This process will lead us into a set of assumptions that will create a framework for analysis and conclusions. This is not double talk. It is common sense. Take the time and make the effort to define the starting place. It is the handle that will give you a good grip on your project. It is the right place from which to start building the right common sense strategic plan for your club.

Imagination Is a Good Thing

(Without it we are stuck in the past.)

Imagine the first meeting of the Strategic Planning Committee (SPC) at your club. The attendees are the three-person SPC plus the club president and the general manager. Five good people all gathered around the table to make your club better. The purpose of the first meeting is to begin to define who we are. You are the Chairman of the SPC at the imaginary Pine Hills Country Club (PHCC) located in Mid-America. The meeting begins at 9:00a.m. and ends at noon. In three short hours you and your committee reached the following agreements: (Congratulations, this is exceptional progress!)

1. PHCC is a full-service family-oriented country club.
2. We perceive ourselves to be one of the top five country clubs in our ten-county metro area in terms of membership, facilities, services, activities, and financial stability.
3. Our goal is to become the preferred (top) club in our market area in five years in terms of membership demand, reputation, infrastructure, and excellence in governance.
4. We recognize that we need a strong and effective, alive and working strategic plan to enable us to reach and maintain this goal.
5. In order to achieve this goal we need to gain a high level of understanding of our current situation. (Who we are)
6. This will be followed by the identification and clarification of a clear set of objectives for our club. (What we want to be)
7. This will be followed by the development of strategic recommendations and guidelines for action that will provide our club with a planning roadmap to achieve our objectives. (How we will get there)
8. We understand that this study will require us to be objective, methodical, and analytical in our work. We start with no personal agendas or preconceived notions, except to make our club the best it can be. Most importantly we must be creative and innovative in our thinking.
9. We understand the importance of making this project a joint venture of this committee, the governing board, and the membership.
10. We hereby establish a one-year goal for the completion of our strategic plan.
11. We will prepare a description of the mission, duties, and authorities of this SPC to be approved by our board of directors.
12. We will begin with an analysis of our current situation:
    - We will discover and describe our club's strengths.
    - We will discover and describe our club's weaknesses.
    - We will research and identify internal club data to access trends and opportunities

- We will identify and describe the external forces, trends, opportunities, and threats that are impacting us now and will impact our club in the future.

As chairperson you use the time remaining at this meeting for a roundtable discussion of Item 12. At the conclusion of this meeting, you will draft a proposal for the board for approval at the next board meeting. This proposal will be a charge to the SPC that outlines the mission of the SPC, operational guidelines for the SPC, and a statement of commitment to the mission of the SPC. As soon as your proposal is drafted, you will send it to the SPC for their review and approval before it is submitted to the board.

Fellow SPC members, please focus your attention on the issues in 12 above. For our next meeting I ask each of you to bring your list containing what you believe to be our club's strengths and weaknesses and the internal and external forces impacting our club. Please be as creative as you want to be. What you may see as strengths others may see as weaknesses. You may see threats that others do not see, etc. We are dealing with ideas. As we work our way through to conclusions, we will benefit greatly from the synergies created by your individual talents and visions. The hardest part of this exercise is getting started. I assure you that you will become excited as we begin to mold our vision of the greater PHCC for the years ahead.

Our next meeting will be here at 9:00 a.m. on September 24. Thank you very much for your valuable services to our club. We are on the road to discovering who we are, what we want to be and how we will get there.

The first meeting of the SPC at your club may go something like this, or not at all like this. That is not so important. What really counts is the ability of the committee to see the vision, feel the excitement, and understand the need for a planning system and the research and analysis that will birth the plan. As I understand history, most of what has been discovered has been done in the process of research; take Columbus for example. Most of the time what was discovered was not necessarily what was sought. Good intelligence (information) begets intelligent thinking.

Common sense strategic planning for private clubs is half methodology (the application of a planning system) and half ambition. Personally I really like the expression "outrageous ambition." How likely is it that a few members of a country club can apply their intelligence and enthusiasm to a project that will make a huge difference in the prosperity of the club over the next generation? How outrageous is that?

Want proof? Want a model? Want to see who we are, what we want to be and how we will get there all put together? How about a case study? Then stay tuned for article # Five, soon to be seen in *Club Management Perspectives.*

Until then, my best to you,

Karl Sheffield

(Mr. Sheffield may be reached at karl@swfla.rr.com)

Common Sense Strategic Planning for Private Clubs #5

By Karl Sheffield

A Case Study

At the end of Article # four published in the last issue of *Club Management Perspectives,* I promised to provide you with a case study of common sense strategic planning for a private club. I do so in this article with the permission of the governing board of the Cherokee Town and Country Club in Atlanta, Georgia. I appreciate the club allowing me to share its strategic planning experience with you. Nothing is better than a real live model.

A Word of Caution Before We Start

Every private club is different. The environment, the challenges, and the opportunities at Cherokee are different from them are at your club. I am not saying that you should do as Cherokee does. The value in studying the Cherokee experience lies in gaining an understanding of the priorities and the format for planning used at Cherokee. I do not suggest that their strategic solutions will be right for you. I do suggest that we can all learn from the way that they put their plan together and applied it successfully.

A Brief Little Background

Cherokee is almost 50 years old. It was born during the post-war boom in Atlanta, a boom that has not stopped yet. During this time the population of the greater metro area grew from less than a million to over five million. The growth and prosperity of Cherokee has matched the Atlanta area. The founders and early leaders of Cherokee were energetic and ambitious. They acquired a beautiful old mansion on historic West Paces Ferry Road for the Town Club, and soon thereafter they purchased a prime site north of town for 36 holes of golf.

Our strategic planning story begins in 1999. By that time Cherokee was a first class club in every respect with over 2,500 members and an annual operating budget approaching $20,000,000. Operations were "in the black" and debt, from the recent "Fazio" remodeling of the golf course, was manageable. The club had a waiting list for new members of over five years. It would have been easy to say that all was perfect at this fine old club. Who needs a strategic plan?

Cherokee Needs a Strategic Plan

Why? Because the governing board realized that times were changing. The effective ways in which Cherokee prospered in the past would not assure success in the future. Having a good club and a long waiting list were not a guarantee forever. There were signs that young families were becoming less infatuated with country clubs in general and golf in particular. Working moms, the challenges of raising kids, occupational demands, and the faster modern lifestyle put a squeeze on time and budgets. We could not count on the dot-com boom and a 25% annual gain in the Dow continuing. The environment was changing, and the club needed to change with it.

Further, a good governing board has a greater responsibility than simply to watch over current operations and the budget. The board's primary responsibility is strategic, to ensure the continuing success of the enterprise. This requires vision, and the ability to translate that vision into a common sense strategic plan.

For example, in 1999, here were some, among many, of the strategic issues that needed research and attention at Cherokee:

1. With a long waiting list for new members, and with a slow turnover of old members, our club was ageing every year. In fact our research showed that the average age of our membership grew from 56 years in 1989 to 61 in 1999. Unless we addressed the issue of membership ageing, we would reach an average age 66 in 2009. This was a serious issue. It was not obvious in day-to-day operations, but it was a major concern looking into the future. A good solution was not obvious, but the need for new thinking was.

2. Club governance was an area of strategic opportunity. We could do better. We needed a plan to ensure that we reached out to our most capable and motivated members to serve on our committees and governing board. We wanted to avoid the "good old boy" syndrome whereby leadership candidates were anointed through relationships. All of the major areas of club responsibilities and skills should be represented; otherwise it would be possible to have the governing board composed of all golfing buddies. Further, a review of our bylaws, policies, and membership rules indicated a genuine need for upgrading and reform. Many had grown stale and outdated.

3. The club spent a lot of money in the past few years on a new golf clubhouse and the golf course. Yet we did not have a strategic plan for facilities development long term. There were other facilities that needed attention and capital, but which ones, which ones first, second, third, etc.? Without a priority plan it was likely that whichever project got the most advocacy (politics) would be the next winner regardless of its value to the club long term. Not a good way to run a club.

4. Members' use of the club was changing. No matter how fine was our fine dining, use was softening every year. Demand for informal dining for families and for adult members was increasing. In spite of a beautiful golf course, play was dropping a little every year. The tennis facility was great, but play was declining. Use of the fitness center was growing rapidly, and it was over-crowded. The swimming pools were in heavy and growing use, and they were in need of major repairs.

5. The beautiful old Town House was showing its age. The landscape was a touch shabby, and maintenance was marginal. The lovely old mansion needed attention, but where to start? Was a paint-up, fix-

up job in order, or was it time to stand back and take a hard look at the major capital priorities and solutions needed to add the most value in the years ahead?

The more we examined all aspects of the club including membership, governance, staff, finance, programs and services, and facilities the more we realized that we could do a lot better in a lot of ways. The members and staff that made the club so successful for so long had done a great job, but we knew that we must move forward. We decided that the best way to honor our predecessors was to do all we could to ensure that their success continued on to the next generation.

In 1999 Cherokee the board named a strategic planning committee and charged it with the responsibility of writing a comprehensive strategic plan. The plan was named "The Plan for Progress" in order to emphasize it's pro-active nature. The committee was appointed in much the same manner as was described in article # three in this series. The committee was given all authority that it needed, and it was asked to keep the board informed of its progress on a regular basis. Thus the journey began.

A year later we had the first draft of the first "Plan for Progress" for the Cherokee Town and Country Club. We worked hard, happy, and positively. We made an early strategic decision that served us very well. We decided to focus all of our efforts on *a few clearly defined strategic keys and ignore everything else*. We picked seven keys for success, and we established a priority for each. This was not easy. At first everything seemed to be of critical importance. But on closer examination, we concluded that we must put all of our energy and time on a few really big strategies that would determine the future success of the club.

Here are the keys to success that we selected and here is how we prioritized them:

1. Membership
2. Governance
3. Management
4. Finance
5. Programs and Services
6. Facilities
7. Research and Communications

These are the seven keys in order of importance: (1) A strong and vibrant membership, (2) able to attract an effective and skilled governing board, (3) that selects and trains good management, (4) that demands excellence in financial stewardship, (5) that enables the club to have the right programs and services, (6) that justify superior facilities, (7) that embraces a continuous process of research and communications providing intelligence for good decision making. This is priority logic; a formula for planning that allows us to address keys to success one by one, step by step without distraction or compromise. The ancients taught us that the way to reach Mount Olympus was to make every step move in that direction. So it is with common sense strategic planning for private clubs.

Good common sense strategic planning is as much about *what you do not do as it is about what you do*. At the outset it is very important to know the difference. You are going to focus only on the really big stuff. For example, make sure that your plan has a laser-like focus on membership excellence, what it is exactly and how it will be developed and continually enhanced. Match this with a strategy for excellence in club governance and management and you are off to a great start. Follow up with the other keys to success. Compare the importance of these big stuff items with the kinds of little stuff that you should ignore (toss overboard). Strategic planning is not about the condition of the golf course, the food in the dining room or the expansion of the parking lot. Leave this stuff to board committees and managers. Think big, think future, think ideal, think new, and think harder.

Great members are the sails of your ship, and great leaders are the rudder. With them all is possible; without them beware of the rocks. Set the sails and trim the rudder and forget the arrangement of the deck chairs.•

Coming Soon — A Plan for Progress Is Born.

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Common Sense Strategic Planning for Private Clubs #6

By Karl Sheffield

SWAN SONG

I hope that you have read most of the preceding articles in this series of six. If so, this final article will make some sense to you. Common sense strategic planning for private clubs is very important, very productive and something that is within reach of every club. Requirements are simple; vision, commitment, self-confidence and the ability to work with fellow club members for a common goal. Do it yourself!

The purpose of this series of articles is to take you on a journey from thinking about the importance of a good strategic plan for your club to holding one in your hand. This is a bold ambition. How many readers will take these brave steps, I know not. A few will. For those who do not, I take comfort in knowing that I do no harm. A little strategic thinking along the way helps us all.

THE INTRODUCTION

At the end of article five we stood on the steps of the Cherokee Town and Country Club in Atlanta, Georgia in early 2001 with a copy of their Plan for Progress in our hand. Let's see what is inside. First there is good news. The plan is mercifully short. It is only twenty pages of big print (12 point) with ample margins. The reading is easy. In twenty minutes one gets a clear picture of the key issues, priorities, what the club intends to do and how.

The first three pages address the importance of the plan, the mission and the continuing objectives. The introduction sets the table for an understanding of the importance of strategic planning. When a good plan is developed with the knowledge and input of the membership it allows the membership and the management to have ownership of the plan. It becomes a pleasant surprise to learn how many really do care when they are brought into the circle of information. Don't skip the introduction. It matters a great deal.

THE GUTS OF THE PLAN

In article five we identified the seven keys to success in the common sense plan. Any club that embarks on the strategic planning journey may use these seven keys, or pick your own:

1. Membership
2. Governance
3. Human Resources
4. Fiscal Resources
5. Programs and Services
6. Facilities
7. Research and Communications

The Cherokee model is useful in that it provides a structure and a style for managing the process. It is not useful in defining solutions for your club any more than my medical solutions will make you healthier. This is why I stop short of marching through the solutions process at Cherokee and suggest that they are right for your club. Every club is as unique as is every human body.

THE POWER OF KNOWLEDGE

In each key the road to success begins with research. This is too bad. Think how much easier it would be if we could address each of these keys to success and develop excellent solutions without knowing of what we speak. Knowledge is power, but it is not popular. Uninformed opinions are more fun, but they are worthless. Don't bring personal bias and preconceived notions to the strategic planning process. Set the right example. Get the facts first.

If the journey from no plan to a great plan is a year long adventure, think of the first six months as the information gathering phase. The value of the modern spreadsheet (Excel) cannot be over stated as it applies to strategic planning. Every strategic planning committee must have a CPA spreadsheet type whiz on the strategic planning committee. Playing the "what if" game with the spreadsheet is more fun than chess or bridge in my book.

Stay on message with the three little questions:

- Who are we?
- What do we want to be?
- How will we get there?

We cannot know exact answers to most questions, but good research and analysis will suggest strategic options that hold promise for improving the club and those that are much less attractive. We cannot know the future, but we can plan for it with the very best methods available to us. The future will happen. We can manage it or be managed by it.

SEVEN STEPS TO SUCCESS

Just as there are seven keys to success, there are seven steps to success in making a common sense strategic plan for your club:

1. Review the current status of strategic planning at your club. If your club has some semblance of a strategic plan, study it to see if you can make use of it. A running start can help, but a prior unsuccessful plan is useless. Starting with a clean slate is better than dragging old baggage.
2. Meet with the club's governing board and discuss the benefits of a Plan for Progress. Get the unanimous endorsement of the board and a commitment of their total support for strategic planning.
3. Assemble a team (see article 3) of intelligent and strong club leaders to make up the SPC (Strategic Planning Committee). Working with the SPC, draft a vision, a mission statement, plan outline (keys to success) and objectives.
4. Set a timetable for completion in one year and go to work. Use the guidelines and suggestions in these six articles to whatever extent you believe they are helpful. Make monthly reports to the governing board and keep the membership updated on your progress. Keep the doors open for new ideas and better ways.

5. Analyze the seven keys to success one at a time. Stay strategic. Meet with the board monthly, make a progress report and get their continuing endorsement. Strive for quality and value, not perfection. Keep it simple. When the plan is ready present it to the board for final approval.
6. Make a presentation of the Plan for Progress at the annual membership meeting. Do it first class. Win the strong support with great preparation, excellent content and professional presentation.
7. Appoint the Director of Strategic Planning to a permanent position on the governing board. The director will change over time but the seat on the board will be permanent. His responsibility will be the care and feeding of strategic planning on the board and at the club forever.

RESULTS AT CHEROKEE

Five years after the inception of strategic planning at Cherokee the results are as follows:

- The average age of the membership has decreased by five years per member reversing a strong trend in the other direction.
- Membership use of the club has increased substantially with the greatest increase being in athletic programs, social activities and informal food and beverage service.
- Club financials are in excellent shape, with no debt.
- The governing board functions strategically, not tactically. The board provides vision, leadership and strategic planning, professionals manage the club.
- The Director of Strategic Planning is the Shepard of the Plan for progress, annual review and update, and he keeps a relentless focus on strategic thinking on the board and at the club.
- New directors and officers are introduced to their responsibilities each year at a two day workshop (followed by golf and dinner). The Plan for Progress is a centerpiece for this event. Directors serve for three years. Hence the great need for continuing education and understanding of club strategy by all officers, board members and committee chairs.
- New opportunities and challenges are addressed strategically. A current point of focus is a new strategic membership development program.
- Cherokee has an excellent governing board because it makes a studied effort to recruit its most capable members.
- The membership has a good understanding of the vision and strategic direction of the club and, consequently, a high level of confidence in the governing board.
- A recent member survey, conducted by a professional outside firm, showed the highest known level of membership satisfaction in the history of the club.

Do these favorable reports indicate to you that managing Cherokee strategically is proving to be successful? I think so.

Imagine yourself in a college debating class. For: Strategic planning is good for your club. Against: Strategic planning is bad for your club. Pick your side. Which will it be?

AMEN

Thus ends the reading of these six lessons. Congratulations! You are now an expert in common sense strategic planning for private clubs. If you have any thoughts that you wish to share with me on this subject, please let me hear from you. Learning should never stop for any of us.

My best wishes to you and yours,

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