

Club Director

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PERSPECTIVES FOR LEADING PRIVATE CLUBS

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Board Retreats: Boondoggle or Panacea?

BOARD RETREATS are gaining popularity within private clubs, but not at the pace of other nonprofits and for-profit businesses. Why not? Where is the bottleneck? With the president, the board, or the general manager?

The answer can be any or all of the above. There are many reasons, or some may say excuses, for not even starting the conversation about holding a board retreat. Still, most board members are aware of their potential benefits.

As a club fiduciary, you owe it to your membership to explore and implement industry best governance practices. One is to hold a board retreat and further discuss within that meeting what other best practices the club should employ. Are you ready to unlock your board's full potential? Successful and effective boards are self-aware and proactive in providing training and coaching to their board members on industry trends and best practices relative to club operations and board governance. Some would argue it's a fundamental fiduciary of any not-for-profit board, too!

BOB: Some might say that they are a waste of money and time. Just another meeting, and as Dan and I noted in our last Point Counterpoint article, there is a movement in business to reduce meetings to return this precious time to a more practical purpose, like being productive. According to CBS' 60 Minutes, meetings sap 17% of our productivity. Further, a recent McKinsey article, "If we're all so busy, why isn't anything getting done?" discusses "mastering the art of unnecessary interactions ... avoid pointless interaction," like meetings. Might the board view a retreat as a waste of time, or does the membership view it as a waste of club money? Is it just an excuse for governors to dine and play golf

together at some other fancy club on club funds—a board boondoggle! Some members will undoubtedly be critical, so the results of the retreat must be worth the costs and possible criticism.

DAN: Bob, I'll also add that planning and holding a retreat can be perceived as time-consuming and costly. They need not be either if planned and executed correctly. Many clubs reciprocate with other area clubs to host the other's annual retreats. The guest club pays for only the food and beverages while room charges, greens fees or other club amenities are bartered with one another. Some clubs require that the governors pay their way, mainly when there may be travel involved. The club then pays for the facilitator's travel and fees, the GM's expenses and other amenities needed to hold the meeting. Other clubs pay for everything, but what is more important in the greater scheme of things than investing in your club's leadership development? What is the value of open and unscripted discussion on operational efficiencies and governance practices? It's priceless! That said, if there isn't structure to the event, with specific deliverables, topics and objectives, it devolves into the boondoggle that some perceive it to be.

BOB: Another reason we find leaders avoid holding a retreat is because they threaten the status quo. Club leadership or the GM might think they have things running like a top or do not want to expose any shortcomings. Or do a leader's constituencies not want change? Club leaders often face substantial pressures from their foursome, the grill room round table or friends and families. For example, most senior members avoid assessments and significant capital programs.

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They've already paid their dues and don't believe they'll live long enough to enjoy the benefits. Many members don't want their club life to be disrupted. A retreat allows club leadership to discuss controversial issues openly and collectively agree on what is best for the club.

DAN: Similarly, some leaders are concerned that a retreat may threaten their authority or unmask some incompetence. We all know leaders (both GMs and presidents) who are in over their heads, appointed because of tenure, who they know and are willing to serve. We know managers who have been promoted from within to their level of incompetence or because of a stellar reputation at another club. Some managers become masters of getting out before their incompetence is discovered. Some leaders won't share industry data and trade association publications with their boards because they are not familiar with the topics. It's natural to

avoid revealing your weaknesses. As long as you can control the agenda in regular board and committee meetings, you can avoid open discussions on areas that may not be your expertise. The skills required for running a retreat may be reason enough that some leaders pass on holding one. Let's raise the word transparency because society seems to love it. Even in private clubs, a heightened standard of transparency is expected, and some old-timers or old thinkers resist it.

BOB: Dan, as you know, the challenge with any group discussion is to remain focused on its purpose and to obtain honest and impartial feedback from all the participants. It is unreasonable to expect that the club president, GM, governance committee chair or any club stakeholder be able to maintain the independence and impartiality to run the retreat to achieve the best results. This is where a professional facilitator comes in. The best results can be obtained by the facilitator being

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Benefits of Board Retreats

- Enhance leadership effectiveness.
- Provide clear strategic direction.
- Improve governance practices.
- Optimize operational efficiencies.
- Foster cohesiveness and team building.
- Reaffirm roles and responsibilities.
- Educate on current pressing issues.
- Present industry trends and best practices.
- Compare your club to clubs of similar nature and size.
- Possible board retreat topics.
- Governance best practices.
- Improving board dynamics and relationships.
- Roles & responsibilities.
- Strategic & long-range planning.
- Establishing priorities & initiatives.
- Discussing & debating critical issues.
- Private club industry issues, trends & best practices.
- Peer group survey discussion.

engaged early in the planning process to help clarify the purpose(s) of the retreat, create the necessary collateral and then facilitate the meeting to keep the discussions on track, draw panels out and clarify results. Club leaders, including the GM, remain free to participate openly without the burdens of running the meeting and maintaining impartiality.

DAN: Unfortunately, another occasional reason for not holding a retreat is that the directors don't like one another. Or cliques within the board control the narrative, causing some board members to feel left out. If so, they may not want to spend more time with each other than the monthly board meetings require. These are reason enough to hold a retreat, especially led by a professional facilitator. A primary objective of the retreat should be to foster cohesiveness and team building, and there are fun tools to facilitate that to improve board dynamics and relationships. The facilitator will look for opportunities to draw out opposing views and help the board work collaboratively toward solutions. Board members don't need to like one another, but they do need

to learn to work together for the common good, too big a concept in some board rooms.

BOB: Dan and I apologize for departing from our usual point/counterpoint format for this article and promise to return to our usual sniping debate in future articles. We both believe strongly in the value of board retreats and while the final deal will lie in the execution, we see little downside to holding one. Although holding a retreat may not be a panacea for all board issues, mixing business with social and miniature golf does not make the retreat a boondoggle either. Regardless of whether you are an officer, board member or GM, the success of the club is your responsibility and is in your hands.

An effective board is an educated board. [CD](#)



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