

DYNAMICS OF CLUB BOARD CYCLES

An NCA Board Leadership Institute White Paper

Dynamics of Club Board Cycles

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1201 15th Street NW
Suite 450
Washington, DC 20005
202-822-9822

nationalclub.org

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Foreword and Acknowledgments

“The greatest leader is not necessarily the one who does the greatest things. He is the one that gets the people to do the greatest things.”

—*Ronald Reagan*

Foreword

“Dynamics of Club Board Cycles” equips leaders involved in club governance with recommended practices to operate effectively from one board to the next. Successful clubs adopt good governance practices in order for their boards to consistently be a strategic asset for the club. Essential processes and policies include strategic board recruitment, procedural activities regarding elections, meetings, bylaws and planning; board size and committees; a functional partnership with the general manager; strategic planning, board orientation and evaluation; and communication with members, among others.

An overarching goal for successful clubs is to achieve committed and consistent governance as part of club culture. The club governance model should provide a solid foundation for processes and procedures to ensure that your club will thrive in a constantly changing world.

Acknowledgments

The National Club Association Foundation generously supported this National Club Association (NCA) Board Leadership Institute project to produce a white paper series, *Club Governance Standards*. This second paper on “Dynamics of Club Board Cycles” provides information about the private club board cycle and how to develop a strong governance structure through strategic processes and policies.

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NCA staff involved in this project include: Henry Wallmeyer, President and CEO; Cindy Vizza, Vice President of Communications; Phillip Mike, Senior Communications Manager; and Curtis Rogers, Senior Marketing Manager.

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Introduction

A documented governance policy that clearly states your club's chain of command, the authoritative boundaries of the board and the staff, and defines the roles of all stakeholders will help maximize effectiveness and eliminate ambiguity.

A thriving club's board of directors provides effective leadership, ensures its club adheres to a strategic vision, reviews and develops policies that move the club forward, and gives collaborative support to the general manager/chief operating officer.

A common trait among high-performing corporate businesses is that they have sound governance policies and procedures in place. The same is true for clubs. A documented governance policy that clearly states your club's chain of command, the authoritative boundaries of the board and the staff, and defines the roles of all stakeholders will help maximize effectiveness and eliminate ambiguity.

Although it's unlikely that you are currently establishing a brand new club, writing bylaws and creating a governance structure and leadership model from scratch, for the purposes of organizing the content of this white paper, we will start at the beginning, imagining that you could formulate your club's governance model using contemporary best practices.

To do so, you would have examined how the ideal board is structured and operates and you would determine what measures and controls you need in place to function at the highest levels, empower the club's leadership and foster an environment of constructive collaboration. What would you change at your current club? Here are some action steps you would consider taking:

1. Hire a professional GM/COO and management team and entrust them to run the business and oversee operations.
2. Define your club's governance model, and adopt mission, vision and values statements.

“Leaders aren’t born they are made. And they are made just like anything else, through hard work.”
—*Vince Lombardi*

3. Engage in a facilitated strategic planning process that will guide all policies and decisions, and then review and revise the plan regularly.
4. Compile all your club’s governance policies into a Board Policy Manual (BPM), a living document for reference.
5. Develop and maintain a board profile and select a Nominating Committee to vet potential board members.
6. Design an effective committee structure contributing to good governance and serving as a proving ground for future leadership.
7. Recruit and groom board members.
8. Present a slate of candidates to your membership or, alternatively, hold an election that provides appropriate choices.
9. Execute a well-planned board orientation annually.
10. Hold a board planning retreat annually.
11. Conduct regularly scheduled and well-run meetings.
12. Communicate regularly with board members, adopting mechanisms that enhance leadership’s connectivity with members and the staff.
13. Evaluate performance annually, creating accountability of the chief executive and the leadership team.
14. Survey the club members for feedback periodically.
15. Recognize board members for their service.
16. Develop and implement an effective club-wide communications program.

As an already-established club, you are always in the midst of this board cycle, especially if your club has staggered elections. For the purposes of organization, the content of this white paper will review best practices in the above order.

Employ a Professional GM/COO

It is a Best Practice for Clubs:

- To employ a professional GM/COO whose skills and experience are a good fit with the club culture.
- To entrust the management of staff and the day-to-day operations of the facilities and services to the GM/COO.
- To hold the GM/COO accountable for the performance of the business operations.

The board selects, oversees and monitors the performance of the club's professional general manager/chief operating officer. The GM/COO is charged with the day-to-day conduct of the club's operations and supervises and directs all activities and affairs.

As the club's chief staff executive responsible for carrying out the will of the membership as established in the bylaws and as further expressed through the policy of the board of directors to achieve the club's mission and purpose, the GM/COO oversees all operations, facilitates all planning, and leads and manages the club's human resources.

Importance of a Professional Club GM/COO

As club operations become increasingly complex, most clubs recognize the GM/COO's role as more than just the manager of daily operations. The general manager participates collaboratively with the board in developing policy, coordinating committee work and facilitating strategic planning and risk assessment. Thus, the general manager takes on the role of an intermediary between different groups, including the board, committees, consultants and member segments.

Supporting the GM/COO

Your club should have a clear job description for all positions at the club, but it is especially important for the GM/COO position. A primary role of the board

Planning ongoing evaluation and effective communication can not only help improve the GM/COO's performance and longevity, but can also fuel a club's success.

is lending support to the GM/COO by providing clear goals and objectives, frequent and constructive feedback, and by regularly conducting evaluations that hold the GM/COO accountable.

According to Dan Denehy, president of DENEHY Club Thinking Partners, the rapport between the general manager and the president is a club's most vital relationship. It must be well managed and requires mutual trust and understanding. A disconnect between management and board direction is one of the most common reasons behind GM/COO turnover. Planning ongoing evaluation and effective communication can not only help improve the GM/COO's performance and longevity, but can also fuel a club's success.

The club president/board should develop a comprehensive performance management plan with the GM/COO so all parties agree upon performance expectations. All personnel performance expectations should be aligned with the club's vision, mission, strategic plan, annual business plan and budget.

For information on hiring and transitioning the club's GM/COO, see the white paper, "Chief Executive Succession Planning for Private Clubs," the first in the NCA's *Club Governance Standards* series in which this "Dynamics of Club Board Cycles" paper is also included.

Define Your Club's Governance Model and Adopt Mission, Vision and Values Statements

It is a Best Practice for Clubs:

- To adopt a governance model that allows for the board to establish club policy and directs the staff to implement policy.
- To review bylaws annually.
- To have the club's governance structure clearly documented.
- To have succinct mission, vision and values statements.
- To have these statements guide the policies that the board makes and results that the business achieves.
- To periodically examine their relevance to the organization and its current and future members.

See page 35 for recommendations for further reading on the strategic planning process.

To discuss the dynamics of club board cycles and processes, one must first define what constitutes good governance. Different governance models will work successfully for different clubs.

Strong governance derives its authority from the members and a proper structure allows the board to represent the members and their interests to the fullest. For this paper's purposes, references to governance models are simply referencing how oversight, implementation and management of club policies, procedures and initiatives occur. The board is responsible for understanding and advising the GM/COO on the processes through which governance occurs, and is ultimately accountable for the results of those processes. The GM/COO is responsible for adherence to governance processes in implementing initiatives, and for their results.

Define Your Governance Model

According to John Kinner, CCM, general manager, Tedesco Country Club, a successful club governance model must:

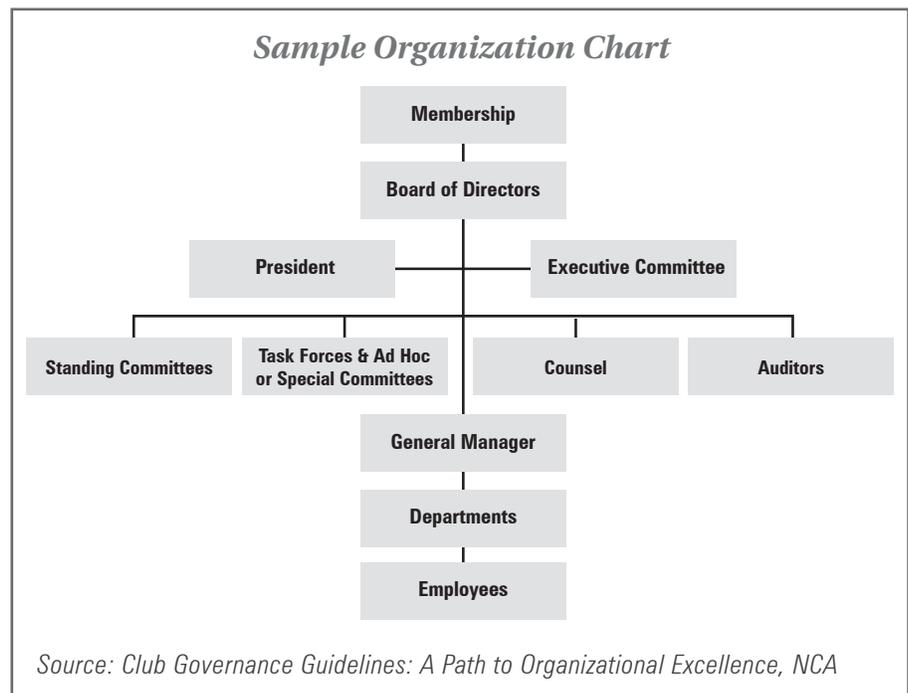
- **Represent the club** members and outline methods for soliciting their input.
- **Develop, define and promote the governance standards**, such as election policies, term limits, committee formation and size, authoritative chain, duties and expectations of board members. Implementing club governance policy may require changes to your bylaws, which should be reviewed annually.
- Be **based upon a strategic plan** for your club. If your club has not gone through a strategic planning process, then it should. Once that process has successfully concluded, the club is armed with a strategic vision that guides all decisions and policies.

Successful private clubs have an organizational structure and appropriate controls in place to ensure compliance and operational efficiency.

- **Embrace collaboration** to take advantage of the board's the varied skill-sets, perspectives, knowledge and styles.
- **Adhere to legal duties and ethical standards.** The club board has the same legal duties as corporate boards. An attorney should review these obligations at the annual board orientation.
- **Employ regular self-evaluation.** The board and committees should use an evaluation tool to examine their effectiveness and identify weaknesses.
- **Establish sound succession procedures.** Documenting procedures for board and committee selection will ensure a continual process of grooming and preparing future officers.

Define Roles and Structure for Your Leadership

Successful private clubs have an organizational structure and appropriate controls in place to ensure compliance and operational efficiency. According to Club Benchmarking, an online management tool that allows clubs to assess their financial and operational performance, in 2016, 95 percent of private clubs have a head of club title of either general manager or general manager/chief operating officer (GM/COO). Five percent have the title of general manager/chief executive officer. For purposes of this paper, we will refer to the GM/COO as the person entrusted with overseeing the day-to-day operation of the facility. The board of directors answers to the membership and its job is to make decisions on club policies and procedures.



Governance Model Challenges

Global Golf Advisors' (GGA's) "2016 Board Wish List" survey asked club GM/COOs if their existing governance model served the board of directors and the club effectively.

Nearly 80 percent of respondents indicated that their existing governance model is effectively serving the board and club. For the managers who answered "no," they pointed to the following governance challenges:

- Separating operations from policy—i.e., managing vs. governing.
- High board and president turnover.
- Outdated policies/bylaws and the absence of a board policies manual and an effective strategic plan.

Use Governance Guidelines and Mission, Vision and Values Statements to Guide the Directors

Four basic governing documents provide a baseline from which most clubs operate: articles of incorporation, bylaws, organizational minutes and governance guidelines. The governance guidelines summarize policies and procedures that either have been formally adopted by the club's board, or embrace principles followed by the club's leadership. The purpose of the guidelines is to offer direction to those carrying out the club's mission and purposes in accordance with the highest standards of integrity and honesty for the benefit of its members.

Governance guidelines should be formally ratified at their inception and affirmed periodically by a club's leadership as a living document that future leaders will follow. The governance guidelines are contained in the Board Policy Manual, which is discussed in more detail on page 10.

To augment those basic governing documents, the club should also adopt mission, vision and values statements, respectively. These three documented statements guide the club's direction, inform all decisions and are reflected in every policy the club implements.

The **mission statement** is a short, direct sentence that describes what the club's business strategy is by answering the following questions:

- What do we do?
- How do we do it?
- For whom are we doing it?
- What value do we provide our stakeholders?

The **vision statement** is a short description of the club's overall goal over time and the impact the club will have on its stakeholders. Vision statements are aspirational and inspirational and help define the culture of the club.

The **values statement** of the club represents its core values and is an indicator of the club's culture, priorities and, once identified, can help drive the intent and direction of the club. Consisting of five to seven phrases, the club's values statement will reflect the enduring tenets that guide the behavior of members and staff, and need to be shared to become ingrained into the culture of the club.

Once the board has adopted these statements, they should be visible, easily recalled, and referred to when deliberating new policy or making decisions about procedures or initiatives.

Have a Strategic Plan to Guide the Board of Directors

It is a Best Practice for Clubs:

- To engage in a facilitated strategic planning process.
- To annually review the strategic plan, revising as needed.
- To redevelop the strategic plan every five to six years or as major milestones are met.

Engaging in strategic planning is instrumental in the success of any business entity, including clubs. An effective strategic plan will help your club stay focused on the priorities, address potential problems before they become crises and better face existing challenges.

Beyond the importance of the resulting strategy document, a club will reap key side benefits from the planning process. Working together on a strategic plan promotes alignment among the board, management and staff, resulting in increased cooperation and teamwork. Additionally, other issues such as meeting membership goals, maintaining employee morale and curbing expenses all become easier when there are strategies in place.

According to 2016 Club Benchmarking data, 61 percent of private clubs have a strategic plan. The median number of years the plan looks forward is five. Just over half (51%) use the board of directors as the planning arm of the club and 49 percent use a Strategic Planning Committee. Most clubs (64%) do not seek approval of the plan by the membership. However, if there are significant changes in the plan, 23 percent of clubs will have the plan approved by membership. Only 13 percent regularly seek membership approval of the strategic plan.

Club Benchmarking data also shows:

- 66 percent of clubs utilize a membership survey to develop the plan.
- 61 percent tie their annual operating and capital budget to the strategic plan.
- 38 percent include strategic planning items on each board meeting agenda.

Key Planning Questions

Be prepared to answer the following questions for others who are involved with or impacted by the planning process:

- What value will the club get by engaging in strategic planning?
- What is the risk if we forgo strategic planning?
- Which planning model(s) should we explore/use?
- What information do we need before we commit to a model or approach?
- Who will be involved in the planning process and in what ways?

An effective board does not get mired down in the minutia of day-to-day operations, but instead provides governance and oversight as the plan is implemented.

The club's strategic plan—which reflects the desires of the membership and has been explicitly approved by the board and shared with the membership—is the quintessential building block for a successful board. It is the foundation and framework for proper decision-making, providing benchmarks for new decisions by answering the following:

- How does this help us further our strategy?
- How does this help us meet our goals?
- Does this align with our core values?

In a winter 2013 article in NCA's flagship magazine *Club Director*, authors David M. Pendy, CCM, and Jim Healey assert, "Strategic planning and preparing the club for the future is at the heart of a board's governance duties."

As such, supporting the implementation of a long-range strategic plan, based on your club's mission and vision, is a primary and ongoing function of the board. They elaborate, "Certainly, the tactics used to achieve the goal may change as the occasion demands, but the club should remain focused on its overall objective ... and using the strategic plan to consistently guide board policies and decisions can help keep the club on track. This is why it is helpful to have strong board leaders with a visionary approach and ability to lead when the occasion demands it."

The GM/COO's duty is to execute the strategic plan. An effective board does not get mired down in the minutia of day-to-day operations, but instead provides governance and oversight as the plan is implemented. In other words, club boards are strategic and advisory in nature. A board becomes inert when it values the past more than the future, and a strategic plan helps crystallize the club's vision and propel it forward.

It is considered a best practice to review and consult your strategic plan at meetings and to redevelop the plan every five to six years. As the basis for all decisions, boards must have a firm grasp on the club's strategic plan.

However, findings in GGA's "2016 Board Wish List" survey indicate, "Managers wish their board members would develop a deeper awareness of the strategic plan and use it to guide discussions. The two biggest gaps between current rating and desired rating of board members are related to the awareness and use of strategic planning at each club."

The strategic plan should have goals, action steps, action step owners and a monitoring and review mechanism for mission, vision and values statements, just as for operational activities. Consulting these statements as you develop the rest of the strategic plan will help the club leadership to internalize them so that they remain the guiding principles by which you design and measure your strategy.

Create a Board Policy Manual to Include All Governance Documents and Policies

It is a Best Practice for Clubs:

- To have a “living” Board Policy Manual containing all the club’s governance documents.
- To review and update the Board Policy Manual regularly.
- To have no unwritten policies.

A Board Policy Manual (BPM) is a binder that contains all current club policy and governing documents that serves as the primary reference for your club leadership to satisfy club goals.

It makes sense, then, that the BPM grows out of the strategic planning process. Although the task of initially compiling your club’s BPM can be arduous, the benefits are worth the effort. The BPM is a living document that will evolve and change as your club’s policies are amended and adopted. To this end, the materials should be available electronically as well to allow for changes to be made, hard copies to be easily updated, and for quick desktop search and reference.

The BPM sets forth the standards of conduct for your board to ensure that roles and boundaries are respected and that board members, committee members and staff are all empowered to execute their duties without undue interference. It provides a written outline of how members are to execute their fiduciary responsibilities, duties of care, loyalty and compliance. All governing documents are housed within the BPM and it is the primary reference for board members when questions of policy arise.

In a winter 2015 *Club Director* article, Terra S.H. Waldron, CCM, CCE, ECM, vice president/COO of Desert Highlands Association, recounts one of the major benefits of the BPM:

“With the BPM in place, the board enforces upon itself and its members whatever discipline may be necessary for successful governance outcomes, including issues related to attendance, respect for individual and differing roles, a unified voice when speaking to management and membership,

BPM Benefits

There are many benefits to using a BPM:

- It is a quick, comprehensive resource that makes it easy to access any of your club's governing documents from one location.
- The BPM streamlines new board member orientation because materials are already compiled.
- It enables the board to eliminate redundancies in policy.
- The BPM outlines proactive policies that will guide your GM/COO and staff in their responsibilities to the board and membership.

and self-policing the tendency to stray from the governance structure. The board is accountable to Association members for effectively accomplishing its duties. No officer, individual or committee will overstep his or her role or hinder in this commitment. The board regularly monitors its processes and performance as established by the Association's BPM. The board is responsible to initiate policy, rather than to react to staff initiatives. Finally, the board, not the staff, is ultimately responsible for its own performance."

In a summer 2016 *Club Director* magazine article, GGA's Henry DeLozier describes the five essential parts of a BPM:

- 1. Introduction, Purpose and Use.** This critical section establishes the principle that all club policies are written, i.e., there are no unwritten policies.
- 2. Strategic Elements.** Part two contains your club's mission, vision and values statements. DeLozier says that although these statements "are not normally thought of as board policies, because they need to be board-owned (approved), they belong in the BPM."
- 3. Board Organization and Process.** This section covers the board's style and strategic focus; officer roles; the formulation of committees and their duties; how meetings are conducted; the type, content and frequency of board reports; and other policies that relate to how your board conducts its business.
- 4. Board/Staff Relationships.** This section outlines the delegation of authority at the club and clearly defines the roles, duties and expectations for the GM/COO. Your club should clearly articulate the policy describing how the GM's goals are met, the metrics by which they are measured, and the process by which they are evaluated. This section emphasizes the GM/COO's authority to manage the daily operations of the club.
- 5. Executive Parameters.** DeLozier describes this section as "the specific exceptions to the board's broad delegation of authority" in part four. Your club may have policies that it reserves for itself, such as authority to speak the media, or approval of large checks or contracts.

The BPM, as a living document, should be a regular agenda item at your club's board meetings. As decisions are made, the BPM is updated, amended and approved. Waldron asserts that "Having the BPM as a recurring item on the board agenda keeps it in the forefront and is vital for the club's direction."

The BPM is the most important resource for your leaders and will be their manual and handbook throughout their tenure.

Develop a Board Profile and a Nominating Committee

It is a best practice for clubs:

- To have a board size of nine to 11 members.
- To have a written board profile that defines ideal board composition.
- To have standard criteria for members to be considered for board service or committees.
- To clearly state term lengths and limits in its bylaws.
- To have staggered terms to ensure continuity and effectiveness.
- To have a clearly written and publicized nominating process for club boards.
- To maintain the board profile with an ongoing, confidential list of potential board candidates who have been vetted.
- To begin the board leadership orientation process prior to nominating candidates via face-to-face meetings to review position descriptions.

How can you ensure that your club builds a consistently high-performing board of directors with a consistently balanced perspective and uninterrupted output?

As part of your best practices in governance, the club should have a documented board profile, which is a “wish list” of attributes, skills and perspectives represented on the board at any given point within the board cycle.

Create a Board Profile

A board profile outlines qualifications and requirements to serve as a director and defines the skills, knowledge, expertise, experience, and even demographics desired for potential candidates. Once this profile is initially developed, it makes sense for the maintenance and integrity of the profile to fall under the purview of the Nominating Committee.

In “Keys to Uncontested Elections,” a spring 2016 *Club Director* article by Henry DeLozier and Fred Laughlin of GGA, the authors state that it is the board’s responsibility to determine the criteria for selection of candidates to serve on the board or committees, and assert that using a written board profile is the best way to accomplish this:

“A board profile is a document that describes the board from both an individual and a group point of view. The profile typically comprises three sections:

- Criteria required by every board candidate.
- Traits that are desirable for the board to reflect multiple perspectives.

- Individual experience and competencies that can help the board to address club business.

The board profile should identify members of known integrity who have demonstrated capability of working as a team member—especially candidates with a history of committee service to the club.”

The composition of every board varies, but a good rule is to have your board’s diversity reflect that of those you serve.

As Jim Collins says in his book *Good to Great*, “The main point is to first get the right people on the bus (and the wrong people off the bus) before you figure out where to drive it.” By analyzing the present composition of your board using a profile, the board can best determine what qualities and perspectives are missing and create a more diverse board profile and a more formal process for succession planning.

The composition of every board varies, but a good rule is to have your board’s diversity reflect that of those you serve. While most clubs do not have succession planning procedures in place to fill vacated leadership positions, the board profile is the most important tool your club can have to aid in the ongoing process of board succession planning.

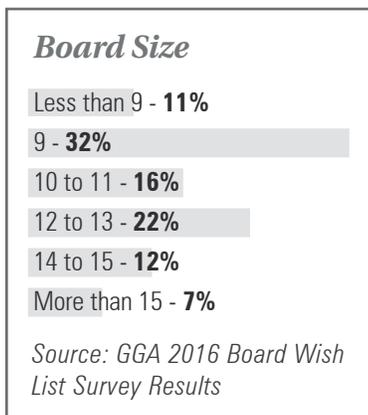
Determine Your Ideal Board Size

Often, bylaws dictate the number of members that serve on a club’s board of directors. The culture and size of your club will dictate the ideal number of board members. The GGA “2016 Board Wish List” survey revealed that the average board size of respondents was 11, with nine members being the most common size. This aligns with GGA’s March 2014 survey, “Club Managers’ Thoughts on Governance,” which found that the average board size was 9.8 members with more than 65 percent of clubs having 12 or fewer board members.

This information is validated by 2016 Club Benchmarking data, which shows the most frequently occurring board size is nine (just over 30%). The next most common size is 12 members (18%), and one quarter of clubs reported having boards with 13 or more members.

Consider that a board that is too small may require too much work of your busy directors, and may lack diversity in perspectives and skill-sets. On the other hand, a board that is too large may become unwieldy, unable to reach consensus, diminish individual accountability, and require a lot of management. Odd numbered boards are better when a vote is necessary.

There is no magic number of board members. Ultimately your club’s board size and tenures should reflect the available leadership talent pool and the support it receives from the committee structures and staff. With careful consideration, your club will strike the right balance.



Your club's bylaws should clearly state the length of each director's term and how many consecutive terms each director may serve.

Define Director Term Limits

Your club's bylaws should clearly state the length of each director's term and how many consecutive terms each director may serve. They should address the rules for re-electing directors to the board after a specified amount of time off the board. This clear-cut approach ensures that the club benefits from continuity, fresh perspectives, balance, flexibility, responsiveness to changing needs, and supports the integrity of the election process.

NCA supports the current trend and best practice for club presidents to serve two consecutive one-year terms for a total of two years. For other directors, the most common term structure is two consecutive three-year terms. In the GGA 2014 survey, "Club Managers' Perspectives on Governance," 77 percent of respondents reported that directors are elected for a term of three years and are limited to two consecutive terms. Club Benchmarking also reports that 80 percent of clubs have three-year terms for directors; though, the number of consecutive terms a board member can serve ranges from one (25%), two (42%), three (8%) or four or more (25%). Bylaws should be written, however, to allow flexibility for officers to serve additional years beyond the initial six, which can assist in retaining talented service and providing continuity if needed.

A staggered term system allows a certain number of new members to be chosen each year, preventing no more than one half of the terms from expiring at the same time. Ideally you will never have more than one-third of your board reaching its term limit at one time. To avoid that outcome, stagger your board terms so that, in any given year, one-third of the board members begin their term of service as another one-third complete their service. This provides for continuity on the board, easier transitions and less time getting board members up to speed.

Select a Nominating Committee to Vet Potential Board Members

Your club's Nominating Committee should be comprised of approximately five members who've had previous board service or substantial club committee experience. The Nominating Committee maintains the board profile and recruits, evaluates and recommends candidates to the board. It could be argued, therefore, that in your club's board cycle the Nominating Committee has the most important task.

A standing Nominating Committee, comprised entirely of members who are not on the Executive Committee, should be appointed to recommend the following:

- a. Board size, director terms and term limits.

Tips for Board Member Vetting and Recruiting

- Define ideal board member qualifications, considering the club's culture and key strategic issues.
- Ensure that the club has a continuous supply of leaders with the knowledge, skills and expertise the club needs. Maintain a year-round pipeline of board prospects. Include club members who have served in leadership positions at a committee level or in other manners.
- Screen board candidates by what they would add to the board's deliberations and how they would serve the club's members.
- Onboard both board and committee members before they assume their new roles. Explain their duties and limits of their authority in the context of working with the club's governance and management.
- Make it clear that board members must maintain a minimum attendance level to fulfill their board duties (e.g., failure to attend three consecutive meetings could be cause for removal from the board.)
- Build and maintain a plan for officer succession. Review qualifications for future officer candidates as board nominees are considered.

Source: Board Toolkit: Club Leadership Essentials, NCA

- b. Standards for director qualifications.
- c. Candidates for directors.
- d. Changes to corporate organizational documents.

Having an effective Nominating Committee that is objective, transparent, and independent is crucial to a board's ongoing success. If the committee is perceived as being unfair or biased, it will undermine the nominating process and integrity of the board.

For many clubs, the bylaws dictate how the Nominating Committee is formed. It is worth considering simplifying this process through amendment so that the president or Executive Committee may appoint the person empowered to select a committee. The Nominating Committee should be dedicated to upholding the integrity of the club's board profile regardless of whether the Executive Committee appointed the committee members or if club bylaws prescribe a laborious election process. The end goal of ensuring that the club upholds the highest standards for appointing an impartial and objective Nominating Committee dedicated to the established board profile will remain the same regardless of the process of forming the Committee.

Identify Board Member Prospects and Construct a Leadership Succession Plan

In many cases, clubs experience no shortage of willing board candidates, with many indicating that they generally have more candidates than positions available when it came to recruiting directors. However, officers appear harder to recruit.

One reason the supply of potential candidates may exceed demand is because the Nominating Committee has done a thorough job of vetting the membership and developing an ongoing list of desirable board candidates. Keeping a cumulative and continually updated list obviates the need for you to build a list from scratch each time a vacancy arises on your board. Attracting board members is an ongoing, long-term project that requires a system.

Confidentiality is an imperative part of the director recruitment process because some of the information compiled will be personal or otherwise sensitive. A great deal of discretion must be used in the way questions are asked and statements made in seeking potential board members.

A member of your Nominating Committee should meet with prospective director candidates to review the position description for a board member. Before agreeing to being nominated, each prospective director should understand and

Succession planning is an ongoing process that not only identifies prospective directors, but also grooms them over a period of time.

acknowledge the responsibilities and expectations of the position, especially the time commitment required for board and committee meetings. Furnish prospective board members with the BPM and governance documents to ensure they are familiar with your club's governance model.

A leadership succession plan is a natural result of maintaining the club's board profile. As mentioned, typically the Nominating Committee is responsible for developing a board succession plan by identifying and recruiting candidates for election to the board. In doing so, this committee may:

- Consider demeanor, expertise, diversity and other goals or future projects.
- Contact, vet and recruit potential nominees.
- Recommend nominees to the full board.

Succession planning is an ongoing process that not only identifies prospective directors, but also grooms them over a period of time. Although the nominating committee does the legwork, succession planning is one of the primary duties of a club board. A well-governed club maintains a pool of candidates for fulfilling leadership positions as vacancies occur and involves potential leaders in club committees and mentors them for board service.

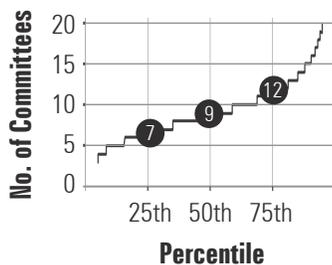
Next in the cycle, the full board presents a slate of nominees who are then proposed for election by the members. As referenced in the sample Nominating Committee description and policies above, most club bylaws also provide a mechanism for nomination by petition and outline the process. Before discussing the election/appointment process, however, let's look at the committee structure at the club.

Design an Effective Club Committee Structure

It is a Best Practice for Clubs:

- To have standing committees for essential areas chaired by a director.
- To have committee charters or profiles defining the focus and purpose of the committees' work.
- To have one club board member or ex-officio on each committee.

If Your Club Has Committees, How Many Committees Do You Have?



Source: *Club Benchmarking, 2016 Finance and Operations Report*

No club board could effectively complete all of its work at monthly or quarterly meetings alone.

Your club's committee infrastructure should ease the governance burden at the club and engage your membership in fulfilling the club's mission. Committees are the units that take on specific and detailed "process" work when the task is too complex and time consuming to handle in regular meetings of the entire board.

Most clubs have committees, with larger clubs having 12 or more. Club leadership should consider the preferred size for each committee, how often it is expected to meet, and the budget within which it must operate. The president usually appoints the chairperson, and at times, the members of the committee; sometimes the selection of the individual members is left to the chairperson, with or without board approval. Typically, chairpersons of major committees are also members of the board.

In a spring 2015 article in *Club Director*, Joe Krenn, CCM, general manager at Farmington Country Club, emphasized the role of committees in communicating club policies and strategy to the members:

"Typically at least 10 percent of a club's membership serves on some type of committee. Assuming that each committee member talks to at least two or three friends at the club, it is safe to say 20 to 30 percent of the club's membership is aware of what transpires in club governance. Every private club board should use this to its advantage regularly: the board should have a set of specific talking points that are discussed at every meeting, and every committee meeting agenda should include a board update where these points are discussed."

When evaluating committee structure, the club should have a clear sense of its governance model.

When evaluating committee structure, the club should have a clear sense of its governance model. Will the oversight of club activities be led by a general manager or by its committees? Within the context of what state statutes allow, does the club want committees to be advisory or does the club want them to have authority? If the club is a nonprofit corporation, it should then look at applicable state statutes. Some states require committees to be chaired by a director serving on the club's board. Some statutes allow, and others disallow, a committee to act with the authority of the board. Clubs can look at what the statutes allow considering the fundamental question of leadership and authority. As clubs work through the specifics of their committee structure, they should refer to the state statutes to ensure that they follow all the requirements.

Committees provide opportunities for the club to foster and develop talent to keep the leadership pipeline full of members who contribute positively within the framework of your club. Involving more members, allowing committee members to use their specialized skills, interests, or contacts, and addressing work in right-sized groups make committees valuable assets for the club.

As your club's leadership model dictates, your various committees report to the board. It is essential that communication between the committee and the board is accurate, clear and timely. To ensure clear lines of communications, each committee should have at least one board member whose job is to act as a liaison between the two groups.

It is prudent to clarify what (if any) role staff will play on the committee. Can staff members be actual members of the committee or should they only provide staff support and facilitate communication? The delicate balance is to not default to having the staff member end up taking on more than his or her fair share of the burden because he or she “works for” the members or to expect the staff member to “speak for” the club.

Adopt Committee Charters or Profiles

Each committee your club creates must have a committee charter/profile, ensuring the charge and scope of the committee is clear, explicit and limited. This charter/profile is a written set of parameters for future reference by both the committee and the board and could include the following items:

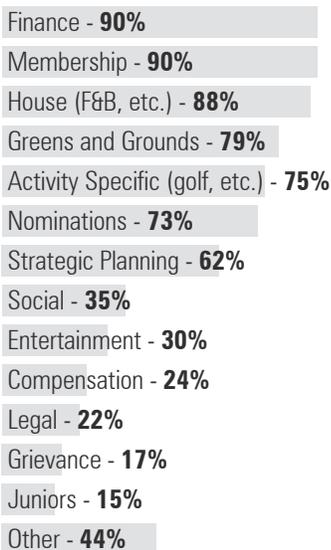
- Statement of purpose and objectives.
- The preferred size of the committee.
- How often it will meet.
- The committee's budget.
- The relationship to the board.

Mixing Committee Types

Clubs may use a mix of standing and ad hoc committees to achieve three principal goals of committees:

- Brainstorming new and creative approaches to vexing problems.
- Providing manpower to stimulate and support a specific function, such as nominating board members.
- Generating enthusiasm among members and providing a communication link to members.

Which of the Following Committees Does Your Club Have?



Source: Club Benchmarking, 2016 Finance and Operations Report

- The relationship to management.
- Nature: action versus advisory.
- Who makes committee appointments.
- How potential committee members are identified.
- Committee terms and tenures.

To avoid frequent changes to the bylaws, however, it is wise not to make the structures overly specific. For example, it is not necessary to include the committee structure in the bylaws beyond stating that the board may establish committees as needed; rather, committee structure should be described in the BPM. The one committee to specify in the bylaws is an Executive Committee and the specific limits to its powers.

The committee chair is responsible for presiding over the deliberations and actions of a committee and reporting back to the board as outlined in your BPM. The chair is either appointed by the board, elected by the board or chosen by the committee itself, all depending upon the club's bylaws. The chair may or may not be a board member, depending on what is designated in the bylaws. Some experts believe that board members should participate on committees—and in fact every committee would benefit from a board member's presence—but that another club member should be tapped to chair the committees to spread the workload and prevent burnout. However, data from Club Benchmarking shows that 54 percent of clubs require board members to chair committees and 38 percent *may* chair committees. Only eight percent do not allow board members to chair committees.

Standing Committees, Ad Hoc Committees and Task Forces

Standing committees are work groups that will always be needed and support the board for a variety of regular, ongoing activities at the club. Standing committees are called such because they have no fixed endpoint. They should be outlined in your BPM and exist to further your club's mission (committees that don't align with the club's mission/vision are probably unnecessary). See the adjacent chart for common committees identified in Club Benchmarking data.

Very small boards may not have separate committees as the board functions as a committee of the whole. The functions are more important than the structure of the committees. NCA's monograph, "Model Committee Guidelines," covers the purpose and structure for common private club committees.

When club management and employees want input or assistance in other areas, your club may consider forming special ad hoc committees or task forces, which are appointed with a well-defined charge and a specific deadline, after which

... ad hoc committees and task forces are created on an as-needed basis in response to an event, emergency or unforeseen circumstance.

the committee will disband and cease to exist. Frequently, these committees are small work groups of experts in a specified discipline (e.g., law, finance, fundraising) who are brought together to accomplish a specific objective.

Whereas standing committees are typically defined in organizational bylaws, charters and governance documents such as the BPM, ad hoc committees and task forces are created on an as-needed basis in response to an event, emergency or unforeseen circumstance. Common topics where a club may benefit from the use of an ad hoc committee or task force include: entertainment, special events, food and beverage/restaurant, finance, fitness/golf/swim/tennis, green, house insurance and legal.

In GGA's "2016 Board Wish List" survey, 70 percent of respondents reported believing their club has the right number of standing committees. The remaining respondents were divided between those who indicated there are too many committees (25%) or not enough (5%) standing committees at their club.

Present a Slate of Nominees and Hold Elections

It is a Best Practice for Clubs:

- To hold uncontested elections.
- To amend the bylaws, if needed, to adopt a governance model that allows for uncontested elections of candidates who have been vetted and nominated because of their credibility.
- To have board candidates serve on a club committee for at least one year before they are eligible to be elected to the board of directors.

A pivotal moment in your club’s board cycle is the election of new board members. Private club boards are typically chosen by an election—either contested or uncontested—from among a slate of candidates put forth by the Nominating Committee.

Best practices for elections indicate that contested elections—where the Nominating Committee presents a selection of candidates that exceeds the available seats—should be a thing of the past. Uncontested elections keep the politics to a minimum and allow for the Nominating Committee to develop a board that aligns with the board profile as opposed to a “popularity contest.”

In “Selecting Your Dream Team, Basic Principles for Building an Olympic-Caliber Board,” a winter 2014 *Club Management* article by GGA’s Fred Laughlin and Henry DeLozier, the authors advise clubs on the elections process:

“If your bylaws call for contested elections, try to change them. Even if you have an uncontested election process, your bylaws may allow for nominations by petition signed by a certain number of your members. If so, incorporate two features into your election process:

- Ensure that your ballot distinguishes between the nominees from the Nominating Committee and the nominees from petitions.
- Require voters to vote for the number of candidates equal to the vacant slots on the board.”

In “Keys to Uncontested Elections” in the spring 2016 *Club Director*, DeLozier and Laughlin broached the subject again, saying that despite the widely-held belief that uncontested elections result in better boards, many club bylaws still

Key Election Components

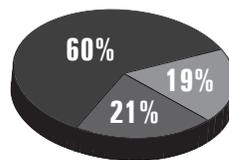
Regardless of your club’s election procedures, experts agree on these mandatory components:

- Publish criteria for board service early in year.
- Have an established timeframe with publicized deadlines.
- Review nomination/election procedures annually with both the membership and board.

prescribe contested elections. The authors note that the challenge for clubs to make this change lies in “convincing members that the process is objective and fair—and that candidates are selected on the merits of the job.”

In GGA’s 2014 *Club Managers’ Perspective on Governance*, respondents reported that most of their board member elections (64%) have been uncontested during the past five years. Of the 60 percent of clubs with bylaws that do not dictate the type of election, the majority (72%) of elections have been uncontested over the past five years. Less than 26 percent of clubs have had all their elections contested during the past five years. Club Benchmarking also finds that most clubs avoid contested elections. As the charts below illustrate, the majority of clubs aim for a consistent and predictable governance structure.

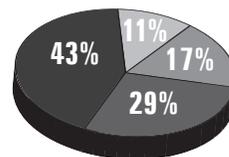
Bylaws Requirements for Board Member Elections



- Our Bylaws do not dictate, but leave the decision to the Nominating Committee.
- Our Bylaws require an uncontested election.
- Our Bylaws require a contested election.

Source: GGA 2014 Club Manager’s Thoughts on Governance

Board Member Election Type at Clubs With Bylaws That Do Not Dictate the Election Type

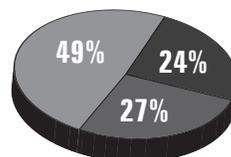


- All of our elections have been uncontested.
- Most of our elections have been uncontested.
- Most of our elections have been contested.
- All of our elections have been contested.

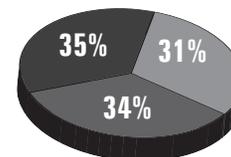
Source: GGA 2014 Club Manager’s Thoughts on Governance

Regarding Contested Elections at Your Club Select the Process that Matches Closest for:

Officers



Board Members



- Nominate More Candidates Than Slots.
- By Petition Only.
- Can’t Have Contested Elections.

Source: Club Benchmarking, 2016 Finance and Operations Report

Onboarding: Facilitating an Effective Board Orientation and Retreat

It is a Best Practice for Clubs:

- To facilitate a thorough, engaging board orientation that increases governance knowledge and empowers board members to lead with an understanding of the club's mission and vision.
- To have two orientations sessions: one for new members only and one for the full board. These dates are set well in advance of the election to allow for candidates to adjust their schedules if necessary.
- To have a board retreat that continues the education and development begun in the board orientation.
- To plan an annual board retreat that is well-facilitated, informal and off-site.

Enjoying a club's amenities as a club member and serving on the club's board of directors are very different roles.

Therefore, once the directors have been formally elected to serve, it is imperative that your club has a strong director education program. The two cornerstones of this program are director orientation and an annual board retreat.

An Effective Two-Part Board Orientation

Your club should have an established orientation program for directors to prepare them to execute their leadership duties. The orientation serves as a formal welcome, fosters teamwork, builds trust among directors and staff, teaches directors how to deal with conflicts within the club, reviews the Board Policy Manual, and updates returning directors. The main objectives of board orientation are:

- To orient new directors to their duties and the limitations on their authority.
- To educate new directors about the similarities and differences between businesses and boards.
- To refresh and remind the hold-over directors of the need to exercise appropriate care and loyalty to club members in the discharge of their duties.
- To focus on the need for review of prior years' policies to ensure continuity from year to year.
- To differentiate the role of the board members from the role of club management, and to amplify their respective roles in the success of a high functioning governance model.

As with a new member of any group, effective orientation is necessary for the successful start and engagement of new board members, though only 71 percent of clubs report that new board members receive an orientation according to Club Benchmarking data.

A two-part orientation—first for new directors only and second for the full board—is a good idea for two reasons: new members will not be overwhelmed and returning board members will not take time out of their schedules for redundant presentations.

Conduct New Director Orientation

An orientation for new directors should highlight the significance of joining the club's board, an overview of the governance structure, and a thorough facility tour that highlights the club operations.

New directors should receive the BPM and meet with the GM/COO to discuss strategic, programmatic, financial and compliance matters. In addition, new board members should be briefed on pending issues such as capital projects, many of which will likely exceed a single board year.

The board chair or chair of the Nominating Committee should explain the club's history, and review its programs, pressing issues, finances, facilities and club structure with new board members. They should also discuss and provide documentation on the committee structure, board member responsibilities, list of board members and key staff, bylaws and recent minutes.

Although new board members have served on committees and possibly on other corporate boards, this may be the first time they've stepped into the role of director at a private club. Some time should be spent during new director orientation educating them about the similarities and differences between businesses and club boards. For example, the board governs and develops policy, but does not manage the operations. Instead, the board entrusts to the staff the implementation and execution of the strategic plan in the day-to-day operation of the club.

A walking tour of the full facility could be included in the new director orientation, but is recommended that a facilities tour also be held at the full board orientation. Your club may wish to have an extensive tour for new directors and to highlight new features, services, facilities, etc., for the entire board. The facility tour will give directors useful information concerning numbers of employees, the scope of departmental budgets, anticipated maintenance cycles, outlines of ongoing improvement planning, etc. The tour should also highlight problem areas, such as property erosion, poor drainage, structural weaknesses and sanitary problems. The tour leaders should introduce the new directors to club staff,

Although new board members have served on committees and possibly on other corporate boards, this may be the first time they've stepped into the role of director at a private club.

from housekeepers and waiters to the golf pro and chef. The GM/COO should describe the daily operation of the club, and the directors should ask questions. New directors should be given as much detail as they can absorb and receive instruction on how to obtain any additional information they desire.

Legal and Financial Duties, Private and Tax-Exempt Status

A critical part of your board orientation is reviewing the requirements and implications of the club's private and tax-exempt status. Your board is required to adhere to the same legal duties as boards of other nonprofit corporations, including duty of care, duty of loyalty, and duty of obedience and confidentiality. Your club's attorney should review these at the orientation. For more information, see NCA's publication *Private & Tax-Exempt Status*, which includes a privacy checklist that your club's leadership can use to help guide club policies and activities.

Conduct a Full Board Orientation

The second part of the annual orientation is for the full board and will likely also include professional advisors, including the club's attorney, CPA and appropriate staff members. All board members should be brought up to date on where the club stands and review the long-range plans for its future.

GSI Executive Search, Inc., an executive search company and club consultancy, recommends that in advance of the orientation, your club should implement the following best practices:

- Distribute packets containing the following items:
 - Club bylaws and policies
 - Current financial information and budgets
 - The club's strategic or long-range plan
 - Committee descriptions and guidelines
 - Organizational chart
 - Board minutes for the past two years
 - Orientation agenda
- Encourage new board members to ask questions during the orientation with respect to these documents, as opposed to taking the time to go through a lengthy group review of each document (except for club financials).
- Have the club's treasurer, controller or CFO present the club's financial information during the orientation. A brief overview of the club's financial phi-

Your board is required to adhere to the same legal duties as boards of other nonprofit corporations, including duty of care, duty of loyalty, and duty of obedience and confidentiality.

Board members are ambassadors for the club and should understand how best to promote the club and support the Membership Committee and to encourage fellow members to sponsor new prospects.

osophy is helpful. A description of how and why certain areas of the club's operations are responsible for underwriting those areas that are subsidized will give new board members a better understanding of the big picture, and can address any assumptions or misinformation.

- Include department head presentations for a brief overview of their respective departmental operations. These individuals include the golf director/professional, golf course superintendent, tennis director, clubhouse manager, controller/CFO, executive chef, chief of maintenance, membership director, etc.
- Have committee chairpersons present on their committee's current major issues or projects, and share their insight on the club's committee dynamics.
- Have the GM/COO or the membership director review the club's membership policy, membership categories and new member application process. Board members are ambassadors for the club and should understand how best to promote the club and support the Membership Committee and to encourage fellow members to sponsor new prospects.
- Conclude the orientation with words of thanks from the president.
- Invite new board members to ask additional questions in the weeks following the initial orientation.
- Arrange a social activity immediately after the orientation session to facilitate relationship building and camaraderie among the newly formed board.

A well planned and executed orientation saves valuable time by getting new board members up to speed immediately—and ensures board continuity and productivity into the future. This orientation also provides another opportunity for board members to be reminded of their duties to protect the club's private and tax-exempt status.

See NCA's *Board Toolkit: Club Leadership Essentials* for more guidance on board orientation best practices.

Plan a Full Board Retreat

As part of the board cycle, your club should schedule an annual board retreat, preferably away from the club, and strongly encourage all directors to attend. A good time for this is mid-way through the fiscal year to reflect on how the year is going and to evaluate the strategy moving forward. Some clubs have key management and committee chairs who are not directors attend the retreat as well.

A well-facilitated informal board retreat may be the best investment your board can make to improve its performance. Exceptional boards intentionally implement board best practices, such as retreats, to evaluate their own performance and revitalize their governance through renewed focus on club priorities. How-

Retreats need to be customized to the culture of the board, and can range from a half day to a full weekend.

ever, only 28 percent of clubs conduct an annual board retreat according the Club Benchmarking data.

Retreats need to be customized to the culture of the board, and can range from a half day to a full weekend. Use the time to lay the ground work for strategic thinking and fully engage the board in focused discussion of large and complicated issues that cannot be handled adequately in a regular board meeting.

A successful retreat usually involves significant prior planning to develop a clear agenda that identifies desired results. Typically, the officers take the lead in mapping out the retreat. Once on site, the retreat planners should express to attendees how the retreat's agenda connects to the club's mission and strategic challenges.

To facilitate more interaction, the retreat's programming should steer away from seminars and instead focus on hands-on activities, interactive discussions and team-building exercises. One popular format for retreats involves scheduling the morning with team-building activities, while dedicating the afternoon to training and discussion sessions. Your club may also consider bringing in an outside facilitator to moderate or present a specific session.

See NCA's *Strategic Planning for Private Clubs* for more information about best practices for board retreats.

Meet Regularly and Conduct Effective Meetings

It is a Best Practice for Clubs:

- To have monthly board meetings scheduled a year in advance.
- To use consent agendas to maximize time.
- To distribute minutes, the next agenda and materials in advance of each meeting.
- To have clear action items identified at every board meeting.

Once your board has been through orientation, it's time to get to work and hit the ground running. The most "regular" components of your club's board cycle are the planned board meetings.

Your meeting schedule for the entire year should be determined in advance to allow members to adjust their schedules accordingly.

Conduct Regular Board Meetings

According to GGA's March 2014 survey, "Club Manager's Thoughts on Governance," 84 percent of boards meet 10 or more times per year (the average number of meetings per year is 10.5). Twelve meetings per year is the most common number of meetings as indicated by 60 percent of respondents.

Your club's culture will dictate the tenor and style of your meetings. If your club subscribes to the notion that real work of the club is done by committees and also entrusts the day-to-day management of the club operations to the GM/COO and staff, then your meetings can be considerably shorter than a club that is still striving to embrace a contemporary governance strategy. Productive meetings should have a defined start time and end time. Some clubs find that a 7-8:30 a.m. breakfast meeting is most productive while others conduct their board meetings during a 5:30-9 p.m. dinner. Alcohol should not be involved in any board meeting as it compromises the board's legitimacy in its decision making and governance.

Your directors are expected to attend board meetings and meetings of the committees on which they serve and to spend the time needed and to meet as fre-

quently as necessary to properly discharge their responsibilities. Meetings generally involve management presentations, committee and outside advisor reports, and board discussions. If a board member fails to attend two meetings without notice, many clubs empower the board chair to speak with the member about whether continuing to serve as a director is feasible given the time commitment involved.

Efficient meetings require a disciplined approach and adequate preparation. It is best practice for the president, vice president and GM/COO to meet two weeks prior to the meeting to go over the proposed agenda and organize background materials the board might need.

Prepare Consent Agendas, Meeting Agendas and Background Material

The board chair and GM/COO usually collaborate to develop the specific agendas for board meetings, with the understanding that certain items necessary for board oversight will be brought to the board periodically for review, discussion and decision-making. Any director may request that an item be included on any meeting agenda. Many high-functioning clubs use essentially the same agenda framework from month to month.

A good rule of thumb is to put the most important business and strategic issues first on the agenda and other items in descending order. The last thing on the agenda should be to identify all the action items and verbally acknowledge who is responsible and accountable.

Your board's time together needs to be as efficient and productive as possible; using a consent agenda will save time and fruitless discussion. It groups routine items and resolutions that do not need any discussion before a vote as one agenda item. Unless a board member feels that an item should be discussed and requests the removal of that item ahead of time, the entire package is voted on at once without any additional explanations or comments.

Some items to include in the consent agenda are the minutes, financials, program reports or perfunctory items such as formal approval of a contract that has already been discussed at past meetings.

Post the consent agenda on a board members-only section of your club website 10 days prior to your meeting and obtain approval. This should give your board members ample time to digest the materials, suggest additions and prepare their reports and comments. Proper use of the consent agenda moves dialogue to the more vital issues rather than the common trivial data inherent in any board packet.

A good rule of thumb is to put the most important business and strategic issues first on the formal agenda and other items in descending order.

In addition to the agendas, be sure the board receives minutes from the last meeting; regular financial and performance updates; and any other written materials that are important to the board's understanding of the items to be discussed at board and committee meetings.

Ensure the president and GM/COO steer the meeting through the agenda and keep an eye on the clock to know when to move on to the next item.

Conducting an Effective Meeting

There is a lot of literature about how to run an effective board meeting to optimize time, create a dynamic environment conducive to collaboration and beget actionable items for the betterment of your club. There are countless tips for achieving this, but the two common themes are proper preparation and tactful but firm facilitation. Here are some best practices to conducting an effective board meeting:

- Start on time and adhere to the agenda.
- Ensure the president and GM/COO steer the meeting through the agenda and keep an eye on the clock to know when to move on to the next item.
- Utilize the consent agenda so that time isn't wasted on repetitive reports or rehashing discussions on items previously discussed.
- Use most of the meeting to discuss the future and for strategic planning.
- Arrange for experts and consultants to address the board and committees to get an outsider's point of view. For example, having an attorney at the board orientation to discuss legal responsibilities of board members; a tax expert and accountant to be there when the annual budget is up for review; a membership marketing expert there when discussing dropping retention rates, etc.
- Include key staff in meetings that will impact their areas of operation to answer questions and observe the concerns of the board.
- Integrate evaluation of the meeting in the schedule. Solicit questions, comments and suggestions and have everyone fill out a short questionnaire before leaving.
- Change the evaluation format regularly.

Communicate Regularly with Club Board Members

It is a Best Practice for Clubs:

- To have a communications calendar.
- To have a balanced, well-thought out and consistently executed communications plan that ensures there are vehicles for two-way conversation.
- To survey members to determine how your club members prefer to be informed of club business, reminded of social events, updated on strategic initiatives, and generally kept in the loop about the club.

Communication is vital in your club's board cycle. The communication among board members—as well as with staff, committees and other volunteers and also with the membership at large—is a critical factor in improving the board's effectiveness.

For your board to fulfill its mandate to serve the interests of the membership and advance its mission, the stakeholder groups need to be well connected to one another.

Maintaining board members' contact between meetings with the club president and GM/COO will keep them focused on the club's mission and the work they are expected to perform. Communication is the key to keeping board members engaged and club members informed of how you are serving their needs. Ultimately, it's effective communication that keeps club activities organized, strategic goals on target and board members accountable.

Just as you have a calendar for your annual board meetings, ideally developed at your board retreat, you should have a communications calendar. A little planning will ensure your stakeholders are informed, engaged, prepared, and adhering to schedules. With all the mediums and channels for communicating, there is no reason for a lack of information. These channels include:

- In-person meetings.
- Hard copies of meeting materials.
- Emails with attachments or links.
- Newsletters.

- Website (member-only section).
- Board-only website.
- Blog posts.
- Survey (online and in print).
- Mobile texts.
- Google Docs.
- Social media outlets such as Facebook, Twitter and Instagram.

There is, however, the possibility of oversaturation, which will frustrate your members. A balanced, well-thought out and consistently executed communications plan will ensure that the communication lines among all constituencies are clear, accessible, effective and gets results. A communications survey and assessment can help you determine how your club members prefer to be informed of club business, reminded of social events, updated on strategic initiatives, and generally kept in the loop about the club.

A good communications program will indicate the appropriate channels and voice for the various messages. For example, consider the channel and format for the following stakeholders and what they might mean at your club:

- Communications from board to membership.
- Communications from GM/COO to board.
- Communication from president to board.
- Communication from committees to board.
- Communication from staff to board.
- Communication from staff to club members.
- Communication to the community.

Regularly Evaluate Board Performance and Recognize Members for Their Service

It is a Best Practice for Clubs:

- To have a board evaluation process.
- To have board members complete a board performance self-evaluation annually.
- To conduct an annual membership survey.
- To have multiple ways for members to provide feedback.
- To formally recognize board members' service to the club.

It is vital that your club's board regularly reviews its achievements and seeks new ways to increase productivity, efficiency and output. This is best done through frequent, habitual evaluation.

An overwhelming majority of respondents to GGA's "2016 Board Wish List" survey do not evaluate their board performance against their club's overall goals. Ninety-six percent indicated board members do not evaluate after each meeting and 76 percent do not evaluate their board's performance at the end of the year.

Evaluations facilitate examination and discussion by the board and each committee of their effectiveness as groups, and of each director as an individual in meeting their responsibilities. Your club's Governance Committee can oversee the self-evaluation processes, and should use job descriptions, charters and annual work plans and goals as the basis for the evaluations.

Have board members complete a short questionnaire after each of your board meetings to help determine areas where you can improve. Likewise, solicit board feedback about the performance of individual members at the end of their terms (instead of automatically renewing their service) to help ensure high engagement and commitment. All members should complete a self-assessment questionnaire (coupled with follow-up discussion) at least once a year to help create and maintain a high-performing board.

Solicit Feedback from Members

Your club's livelihood depends on member retention and satisfaction. The only way to know how your members truly feel and if they are satisfied with the club's

various services is to ask them. Make sure you have regularly scheduled ways to obtain member feedback.

In GGA's "2016 Board Wish List" respondents were asked the following question:

Are the criteria for membership satisfaction and other qualitative metrics based on objective measurement? Please provide a ranking between 1 and 10, with "1" being "Completely Subjective" and "10" being "Completely Objective."

The average rating was 6.23 out of 10, while 47 percent of all respondents ranked their club as either 7 or 8 out of 10. These results indicate that the majority of managers are not fully satisfied with the criteria in place to measure qualitative metrics at their club.

As in most organizations, a vocal minority emerges who might drive the direction of the club; however, they do not always represent the opinions of the membership. An essential tool for clubs, therefore, is the member survey. When used properly, a survey can provide your leadership with constructive feedback on member perceptions, interests and indicate support or opposition for certain initiatives. The results of a member survey provide firm data that can be used to inform your board's policies and decisions and be used as evidence to combat opinion-based discussions that don't serve the membership.

When used on a regularly scheduled basis, member surveys can provide a benchmark by which you can measure your progress in satisfying your members' needs. There are several companies and consultants that can help you formulate effective survey procedures—please visit the NCA "Preferred Vendors" listed on nationalclub.org.

Recognizing Board Members for Their Service

Your club should always recognize board and committee members for their service. Informal recognition is something that should happen frequently in newsletters, at meetings and in passing conversation. But a regular and on-going part of a board cycle is formal recognition at the end of a board or committee member's term.

Incorporate this practice into your annual calendar to keep morale high and encourage engagement on your board.

Conclusion

For a club to thrive in constantly changing times, its leadership must chart and stay a strategic course.

A club board is tasked with governing today for the betterment of the future. As board members come and go and committees shift and change, their goal must remain the same: To be the stewards of the club's mission and vision and the bastions of the club's operational culture.

An understanding of a club board cycle can ensure that boards are operating on a high level with big picture foresight and consistent controls, communications tools and measurements.

Recommendations for Further Reading

To learn about recommended best practices for the dynamics of club board cycles, please consult the following NCA publications:

Board Toolkit: Club Leadership Essentials, 2014

Strategic Planning for Private Clubs, 2016

Club Governance Guidelines: A Path to Organizational Leadership, 2007

Model Private Club Bylaws, 2012

Private & Tax-Exempt Status, 2003

Appendix

Best Practices Checklist for Club Board Cycles

Employ a Professional GM/COO

- Employ a professional GM/COO whose skills and experience are a good fit with the club culture.
- Entrust the management of staff and day-to-day operations of the facilities and services to the GM/COO.
- Hold the GM/COO accountable for the performance of the business operations.

Define Your Club's Governance Model and Adopt Mission, Vision and Values Statements

- Adopt a governance model that allows for the board to establish club policy and directs the staff to implement policy.
- Review bylaws annually.
- Clearly document the club's governance structure.
- Have succinct mission, vision and values statements.
- Have these statements guide the policies that the board makes and results that the business achieves.
- Periodically examine their relevance to the organization and its current and future members.

Have a Strategic Plan to Guide the Board of Directors

- Engage in a facilitated strategic planning process.
- Annually review the strategic plan, revising and adapting as needed.

- Redevelop the strategic plan every five to six years or as major milestones are met.

Create a Board Policy Manual

- Have a "living" Board Policy Manual containing all of the club's governance documents.
- Review and update the Board Policy Manual regularly.
- Have no unwritten policies.

Develop a Board Profile and a Nominating Committee

- Have a board size of nine to 11 members.
- Utilize a written board profile that defines ideal board dynamics and composition.
- Have standard criteria for individual members to be considered for board service or committee work.
- Clearly state term lengths and limits in club bylaws.
- Stagger director terms to ensure continuity and promote effectiveness.
- Have a clearly written and publicized nominating process for club boards.
- Maintain the board profile with an ongoing, confidential list of potential board candidates that have been vetted. This ongoing succession planning is key for seamless board governance.
- Begin the board leadership orientation process prior to even nominating candidates by having face-to-face meetings to review position descriptions.

Design an Effective Club Committee Structure

- Have standing committees for essential areas chaired by a director.
- Adopt committee charters or profiles defining the focus and purpose of the committees' work.
- Appoint one club board member or ex-officio on each committee, although not necessarily as chair.

Present a Slate of Nominees and Hold Elections

- Hold uncontested elections.
- Amend the bylaws, if needed, to adopt a governance model that allows for uncontested elections of candidates who have been vetted and nominated because of their credibility.
- Require board candidates to serve on a club committee for at least one year before they are eligible to be elected to the board of directors.

Onboarding: Facilitating an Effective Board Orientation and Retreat

- Facilitate a thorough, engaging board orientation that increases governance knowledge and empowers board members to lead with an understanding of the club's mission and vision.
- Conduct two orientations sessions: one for new members only and one for the full board. These dates are set well in advance of the election to allow for candidates to adjust their schedules if necessary.
- Hold a board retreat that continues the education and development begun in the board orientation.
- Plan an annual board retreat that is well-facilitated, informal and off-site.

Meet Regularly and Conduct Effective Meetings

- Conduct monthly board meetings scheduled a year in advance.
- Use consent agendas to maximize time.
- Distribute minutes, the next agenda and materials in advance of each meeting.
- Identify clear action items at every board meeting.

Communicate Regularly with Club Board Members

- Create and follow a communications calendar.
- Establish a balanced, well-thought out and consistently executed communications plan that ensures there are vehicles for two-way conversation. Strong governance derives its authority from the members and a proper structure allows the board to represent the members and their interest to the fullest.
- Survey members to determine how your club members prefer to be informed of club business, reminded of social events, updated on strategic initiatives, and generally kept in the loop about the club.

Regularly Evaluate Board Performance and Recognize Members for Their Service

- Have a board evaluation process.
- Have board members complete a board performance self-evaluation annually.
- Conduct an annual membership survey.
- Provide multiple channels for member feedback.
- Formally recognize board members' service.