THE BEST MANAGEMENT STYLE FOR THE FUTURE?

Which style engages and motivates employees today?



Club Managers Association of Europe www.cmaeurope.eu

INTRODUCTION AND BACKGROUND

The Club Managers Association of Europe (CMAE) provides club industry professionals with high level executive education centered around the identified 10 core competencies of the modern club manager whatever the style of club. This White Paper explains the benefits and challenges ahead.

CMAE's curriculum is delivered over five different five day residential programmes: Part 1, Club Operations; Part 2, Building and managing the club team, Golf Operations, F&B Operations and Strategy and Leadership.

The education path culminates with two levels of qualification, the Club Management Diploma (CMdip) which is available upon completion of Parts 1 and 2 and the Certified Club Manager (CCM) which is attainable following the completion of the education pathway and the passing of a seven hour examination which examines the candidates on all aspects of club management. It's a rigorous exam that helps identify the best in the industry.

The CCM designation is widely regarded as the pinnacle of club management qualifications, however the learning should not stop there and all CCMs are required to keep their continuous professional development going throughout their careers to maintain their CCM status.

One such exercise is sharing their knowledge with their industry peers. The gathering of CCMs is, therefore, an important and enjoyable part of the development of Club Management education.

The most recent meeting, facilitated by Bill Sanderson, (The Business Performance Coach and a regular presenter at the CMAE's Management development programmes), saw 11 CCMs meet up to discuss the right management style for the future. So just what style engages and motivates employees today?

Detailed in this report is the group's findings based on over 250 years of collective club management experience.

Contributors:

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- Michael Braidwood CCM
- > John Duncan CCM
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- > Jerry Kilby CCM
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'CLASSIC' MANAGEMENT THEORIES

The basis of many management theories date back to the early 20th century. Notable theorists include Abraham Maslow, who created the hierarchy of needs, Douglas McGregor, who created McGregor's Theory X and Y and Frederick Herzberg, who promoted the Motivation-Hygiene Theory.

These management theories are all explored in the CMAE's management development programmes. But do they really relate to club management in the modern world?

The CCMs agreed that McGregor's Theory X and Y model is still relevant today and it is easy to slip back into the Traditional Theory X mode when under duress and pressure. They also identified that it takes a good number of years to understand and release the theory Y from within.

Andrew Whitelaw CCM, General Manager of Trump Dubai with 20 years Middle East experience said: "Typically in Dubai we operate with large multi national teams, where most of our colleagues come from third world counties. They are extremely nervous and fear losing their job (which has a catastrophic impact on their families as they are often the only bread winner). Interestingly enough their fear shows them portray McGregor X characteristics and it's my job to give them confidence to believe, as their manager, that I deliver a more McGregor Y style."

Michael Braidwood CCM, the first CMAE Director of Education, has worked out in the Middle East for 11 years running a large club in Bahrain. There he was faced with the same challenges as Andrew and found 'town hall' type meetings with all staff extremely useful, giving them the brief that it was an opportunity to speak and offer their opinions directly to the GM.

"Initially the staff were unsure that they were allowed to speak and give feedback to me as GM, but once one opened up the rest grew in confidence. After they saw there were no negative repercussions from these meetings, only positive change, then the subsequent team 'town hall' meetings delivered to me even more feedback on working conditions, how they were being managed and the tools we provided them to do the job. I learnt so much and it allowed me to make changes that resulted in much higher morale and engagement."

Marc Newey CCM, CCE, the CEO of the Roehampton Club for the past eight years, recently released some Theory Y on his junior management team at Roehampton Club. He said: "We have a very strong team at the club and our junior managers are very keen to impress. So this year I allowed them to take full responsibility to run our annual club championship week. This is one of the most important weeks in the annual calendar of club events. They set the standard and ran the event from A – Z. Myself and my senior management team observed from the sidelines. I must say I had my heart in my mouth at times, but I didn't step in or interfere. The overall result was fantastic. The event was run brilliantly (dare I say even better than before!) and I now have a fully engaged and motivated junior team. This exercise is testimony to the maturity of our organisation to allow this to happen and also shows that our senior team are demonstrating best practice and more importantly passing down the knowledge."

When reviewing Hertzberg's Motivation-Hygiene Theory the CCMs agreed that the hygiene factors he identified as dissatisfiers were also very relevant today. Again, it is interesting that policy, supervision (micro management), relationships and work conditions still remain as the main dissatisfiers today if inappropriately managed.

Excellent examples were given whereby the CCMs reflected on times when they imposed autocratic company policy, over supervised already capable and motivated colleagues and altered work conditions to the worse in order to save a few pounds

The CCM group recognised that a lack of awareness to these hygiene factors had had a significant impact on the overall performance and morale of their team. The immediate effects might have had a positive impact on the bottom line, but the longer-term effects were quite the reverse, with lower long-term productivity, key team members moving on and a general lowering of their overall internal brand.

John Lawler CCM, General Manager of the Island in Dublin noted: "It's fascinating to reflect back on management theories and to understand the impact my previous actions have had. During the economic downturn at my club we looked at every way to save costs. This of course meant trimming employee perks and benefits. I thought everyone was on board to try and save a little, but in reality, what were we really achieving and saving by cutting free staff teas and coffees? Maybe a few Euros? But the dissatisfaction had more far-reaching implications"

Putting management techniques into the context of CMAE members, David Balden CCM, Secretary of the Caledonian Club in London said: "We can assume our new colleagues have an overall understanding of motivational management techniques. We have, however, added this sort of information into our management handbook. We also reiterate it in our managers' induction to ensure they are setting off on the right foot when managing their respective teams. All too often we see opposite management styles within the same organisation which leads to inconsistency of delivery and internal challenges"

The final management theory explored was Maslow's hierarchy of needs. Although Maslow's ideas have been criticized for lack of scientific rigor and are now generally no longer taken seriously in the world of academic psychology the CCM group still felt the principles had merit and the awareness of Maslow's hierarchy of needs is important when managing.

A good number of the CCMs provided anecdotal evidence of poor performance which were directly impacted by an external factor that was influencing an employee's performance.

Michael Braidwood CCM commented: "When I previously saw irrational behaviour or a dip in performance by a team member my initial thought was there must be something wrong at work. I would then waste a lot of time and energy trying to resolve a problem that was not there. Over time I realised most performance issues are influenced by external factors. By taking time to have a one-to-one with team members on performance and digging deeper into the why, can have huge positive implications. First of all, you can often help resolve the problem and secondly as a result you have a very motivated and engaged team member."

MOTIVATION

So understanding the psychological needs of your team members is key and a strong awareness of positive management theories will help you create a positive workplace environment. But what does motivate the employee of today? We have multi generational workplaces with managers and team members who have been brought up in very different generations and have experienced varying management styles.

The CCMs explored when they felt most/least motivated:

Most – Freedom to do the job, being listened to, getting questions and queries answered (in a reasonable time frame), being supported, transparency, training, development, work support.

Least – Micro managed, handcuffed, little or no support, lack of understanding by superiors of what the job involved, inconsistent management, irrational change.

From this the CCMs explored the conditions in which they were most likely to find motivated people.

The findings were: Free of distractions (external), sharing of success, being challenged, listened to, their ideas being valued and implemented, understanding the common goal (what does success look like).

To further emphasise this the CCMs discussed the collaborative approach to management.

Examples were given of teams setting the clubs mission. John Duncan CCM formerly of Royal Dornoch Golf Club, now retired said: "At my club we did an internal workshop to set out our mission and values. The team choose these; after all it is the team who delivers this on a daily basis."

Taking it to the next level of setting standards and adhering to them again the CCMs agreed that a collaborative approach is best and the more involved the team is in setting the standards the higher chance you have of them being met on a day to day basis.

Tristan Hall CCM, General Manager at Sunningdale Golf Club, said: "At Sunningdale our team set the standards, and quite simply work towards 'true world class'. They motivate each other with this simple statement and pick each other up on it continuously. As an example, if a room is set up for a meeting and it's not to standard, a colleague can say to another, 'do you think that set up is true world class?'. This then promotes a closer look at it to ensure it is perfect. We find this system works extremely well, promotes excellence and avoids conflict in the workplace."

When asked to evaluate what level of accuracy to meeting standards are being adhered to at their club, the CCMs agreed that this was a 'non-negotiable' and the expectation should always be 100%. However, does this always happen?

It was agreed that the following guide can give a strong indication to the commitment to adhering to standards:

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100% = 5* deluxe

90% - 100% = 5*

70% - 90% = 4*

50% - 70% = 3*

30% - 50% = 2*
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<30% = 1*

Andrew Whitelaw CCM said: "It's really tough to operate at a 5* deluxe level. Look at the intensity of training and commitment to standards some of the leading 5* hotels operate at. The Ritz Carlton have the mission statement of 'ladies and gentlemen serving ladies and gentlemen'. Every morning there is an employee line up to check on personal standards and to remind everyone of the Ritz Values. Employees carry a card with them at all times reminding them of

the Ritz Carlton values. When you experience different businesses in operation you can get an immediate sense of that businesses' commitment to adhering to standards."

What happens when you do get to a high level of performance and someone leaves? How do you replace that person?

Marc Newey CCM, CCE said: "At our club we have worked hard to get to a high level of performance in most of our teams. When someone leaves it's not me who picks the replacement. The team picks the team. They know the standards they all work to, to achieve their goals and there is no way they are going to let someone in who might not meet the grade."

ENGAGEMENT

Motivation is closely linked to engagement. The CCM group discussed engagement - how to measure and how to achieve a higher engagement quota at the club.

When reviewing this the group looked at engaged organisations, one example being Apple, where at their stores all the staff are so into the products that they instinctively go above and beyond in providing solutions to the customer's needs. This was quite simply evaluated as they came to work to 'play'.

Session facilitator Bill Sanderson said: "Think of it this way; when can kids get out of their beds early? Or when asked once? Christmas day! On school days their engagement is not high so the motivation is not there. When you ask yourself why, the answer is school is routine and not fun."

So, what are the factors for high employee engagement?

Keeping work fun, intriguing, having a sense of growth, feeling supported, breaking from the routine and feeling valued are all key factors.

The CCMs gave examples of this in practice

Nick Solski CCM said: "When I was Director of Golf at Skolkovo Golf Club in Moscow, we trained our staff with various greetings in different languages.

This kept the staff engaged as they were learning something new and the customer loved it when greeted in their mother tongue."

Andrew Whitelaw CCM said: "We do a lot of cross training. It is really engaging and motivational. Our reception staff have all cut greens on the course and our greenkeepers have all pulled a shift in the kitchen. Not only has it enriched their skills, but it gives them a greater understanding of how other departments work."

Fernando Padron CCM, Operations Director at Real Club Valderrama, said: "Leading by example and being there for your colleagues is key. A football manager would always be there for a match, so the managers should always be present at the club at peak times. We have four very experienced managers on our team and one is always on site."

Marc Newey CCM CCE said: "We take the health and well being of our colleagues very seriously and provide free classes to our colleagues. They are also allowed to use the gym and fitness facilities at the club before or after work. The benefits are numerous. We have less sick days, our colleagues are fresh and alert at work and they really value the club for the perk."

So how do you measure employee engagement? What processes do you need to have in place?

The CCM group identified the following key measurements that should be taken at a minimum on an annual basis: staff retention rates, member retention rates (if your members are staying you must be doing something right), anonymous employee surveys (to get real feedback), informal 'pulse' appraisals, compliments / complaints index, happiness index – how happy are you on a scale of 1-10.

In conclusion you need to ask yourself what percentage of your team go home after work 'buzzed'? If it's not high then you need to ask yourself why?

WHAT HAPPENS WHEN IT'S NOT GOING WELL?

All of the previous discussion has centered around a level playing field when in general things are going well. But what happens in a crisis or when significant change is about to happen?

Silvia Serrano CCM, Executive Assistant at Real Club Valderrama, described a crisis she experienced. After the financial crisis in 2009, Valderrama hit a rocky period. Shortly after, the Board brought in a new Chief Executive. His first move was transformational. He held a town hall meeting and said: "You think I am here to fire? No, I am here to transform."

His next move was to show the team the business results. Silvia said: "They [the team] had no idea how bad the situation was. When we saw the position the club was in we instantly knew what we needed to do. How could we have performed better if we didn't know the score?"

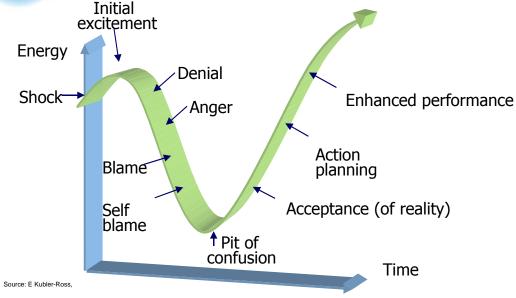
Knowing the score is key. As humans we are instinctively competitive and have an inner drive to improve performance.

Change of any sort can be unsettling to employees and members alike.

This is one of the key challenges that club mangers face. The classic 'change management' chart is very pertinent and the CCMs agreed that to manage change the key is communication, communication and communication.

Communicate before, communicate during and communicate after.

Furthermore, if you have a collaborative approach before the change takes place and have initial 'buy in' then the journey will be a whole lot smoother.



With varying willingness to engage across the population

CMAE CCM Think tank, contributors, The right management style for the future. What style engages and motivates employees today?

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WHAT HAPPENS WHEN STAFF DON'T WANT RESPONSIBILITY?

Another factor often over looked when trying to motivate, engage and empower is having staff that don't want responsibility.

This can be a recruitment issue, but if you do have staff that don't want (or fear) responsibility what can you do?

Jerry Kilby CCM, Manager at Bramley Golf Club, said: "When I operated Nad Al Sheba Golf Club in Dubai, I encountered this issue. I had to build confidence in the team so they recognised that I, as the leader, took the ultimate responsibility and that they would not be criticized for trying. Over time confidence grew and the team took on more responsibility."

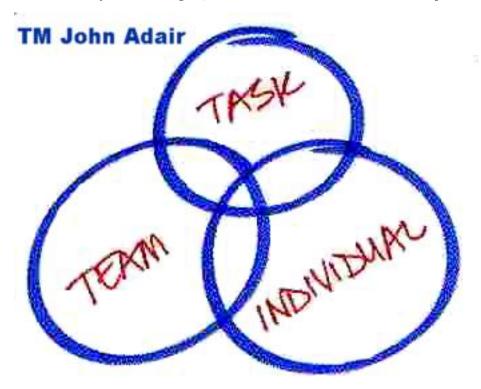
CONCLUSION

The CCMs conclusion for the right management style for the future? What style engages and motivates employees today?

The answer is an approach of a collaborative, communicative nature where the manager is now seen as a coach and mentor. A majority of colleagues, old and new, should understand the role and be equipped with the skills to perform their duties.

The key is to have the right approach to management to ensure colleagues are motivated and engaged on a daily basis.

The final study was looking at John Adair's action centred leadership



The CCM group agreed that it is all too easy to spend too much time in the task circle, when in fact if more time is spent in the team and individual circles you will motivate and engage your team to higher performance.

More time on one-to-ones (face to face) with team members will be far more productive than sitting behind your desk directing via email.

FUTURE CHALLENGES

The CCM group also identified challenges facing us in the future regarding management, motivation and engagement.

As more and more clubs are looking to outsource certain elements of their business such as food and beverage, the golf shop and course maintenance, how can you apply your management style on third party contractors?

Also, with the advancement of technology and the incoming workface being from the social media generation, how will social media have an impact on management in the future?

It begs the question, how to figure out how to play the violin while texting?

These topics and more will be the focus of CMAE's elite CCM members who will come together again to share knowledge and experience on pertinent club management and leadership issues.

Michael Braidwood CCM

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