Research: Clubs Are Economic Contributors

The 2019 Economic Impact Report detailed that CMAA-member managed clubs are stable organizations within their communities. Clubs tend to have a long history in their local communities, with the average club having been founded more than 92 years ago.

Besides their tenure, they also contribute economically from purchasing power, to taxes, to employment. In 2018, clubs purchased nearly $13 billion of goods and services, of these expenditures more than 85 percent are expenditures that remain in the state in which the club operates and 47 percent within the local community. Clubs also paid more than $2 billion in taxes in 2018, with payroll taxes accounting for 45 percent, sales tax for 29 percent, and real estate/property taxes 23 percent.

Clubs provided more than $9 billion in salaries, wages, and employee benefits to the 350,000 employees (this total “headcount” includes year-round and seasonal employees and both full-time and part-time). This is an important statistic as it shows the direct economic benefit to the community in the form of jobs. Additionally, there are the indirect economic benefits of these payroll dollars being deployed by the employees to purchase additional goods and services in the local communities in which they reside.

Club Trends: Tech for a New Decade

Quantifying technology trends feels like constantly playing a game of catchup. But in the club space, there is a significant growth opportunity as it relates to tech. Considering both staff- and member-facing options, the options are plenty. As we head into a new decade, it’s prime time to consider the spaces where your club could make some upgrades or changes. Here are some top tech trends for you to consider implementing as the new year begins:

**Customer Relationship Management:** Maintaining consistent and frequent contact with your members is one of the best ways to ensure they stay engaged with and enthusiastic about their club. Utilizing a CRM (customer relationship management) system to track emails, follow-ups, and further steps can make a membership director’s job much more efficient. A CRM can provide automated marketing and rich data that can ultimately help them reach the right members with the right information at the right time.

**Staffing Management Systems:** Another popular behind-the-scenes tech element is software that uncomplicates the staffing puzzle. From calculating the myriad shifts worked, the multitude of individual schedules, and assisting with determining weekly staffing costs. Implementing a streamlined system benefits both managers and staff by guaranteeing clarity, consistency, and parity in scheduling.

**Virtual Fitness:** Popularity of apps and streaming options for fitness and workout classes has been on the rise over the last couple of years. Making personalized fitness available to members who can already access nearly everything from their phones or other mobile devices is almost a no-brainer. Perhaps it’s pre-recorded workouts that can be done on one’s own time or virtual classes offered by club trainers. The opportunities here are endless as fitness has become paramount.

**Club Mobile Apps:** More and more, people turn to their phones for everything. From ordering take-out online to communicating with far-flung friends, apps drive connection. The same could be true for your club – your members are already familiar with app-based technology, and an app provides a platform for you to communicate events, share menus, take reservations, and perhaps even sell merchandise.

**Mobile Point of Sale:** Another popular member-facing upgrade allows you to bring purchasing to your members, instead of the other way around. Excellent food service expectations and expanded dining options put a higher demand on club staff – but new options, such as tablet point of sale units, provide mobility and efficiency. Waitstaff save time by not having to run back and forth to the standalone POS stations, and the ease of carrying a tablet in an apron pocket allows them to move freely and easily throughout dining outlets across the club.

Best Practices: Board Member Orientation and Participation

Orientations ensure that all Board members are reading from the same sheet of music so that the first meeting will not be a “discordant cacophony of competing scores.” Successful club orientation is not very different from the orientation new employees receive. Like new employees who have been through interviews and have researched their new employer, new board and committee members may have some idea of what they’re getting into. After all, they’ve probably been club members for some time. However, without adequate orientation, the new board and committee members will lack the essential knowledge of what the club’s mission is and what role they are to play in fulfilling that mission.

The upfront attention of an orientation can well determine whether the board or committee is a productive, energetic one that contributes to the success of the club, or one that merely meets according to schedule and carries out only the status quo.

According to successful club orientation planners, the best orientation program must meet the unique needs of the club. The message communicated to new members during orientation sessions will be the unique message of a particular club. It will speak of the personality, the mission and the objectives of the club, its boards and its committees. The orientation session can range from a short, restrained meeting to a detailed multimedia presentation. However, after it is done, new members should walk away with a clear vision of their role and their responsibilities.

It is clear why a club should orient new directors.

Too often, a new director will try to bow out of the orientation meeting due to a scheduling conflict. It must be made clear to all candidates, prior to the election, that attendance at the orientation meeting is mandatory. Set the date for orientation well in advance of the election so that each new member can adjust his/her schedule accordingly.

Periodically, a candidate may have a conflict that cannot be adjusted (wedding, overseas vacation). For such cases, there needs to be a back-up date selected that is at least two weeks from the original one. Normally, preparing well in advance with alternatives will ensure attendance.

Source: Adapted from CMAA’s Director’s Guide for Understanding Club Governance.

Legal, Legislative, & Regulatory

DOL Updates Regular Rate Calculation

On December 12, the Department of Labor (DOL) announced its most significant update in 50 years to how employers calculate the regular rate of pay under the Fair Labor Standards Act (FLSA). The FLSA mandates overtime pay of a minimum of 1.5 times the regular rate for hours worked in excess of 40 hours per work week. Regular rate requirements define what forms of payment employers must include and exclude in the calculation. With the evolution of employee benefits and remuneration over the last 50 years, it is a necessary update to provide clarity to employers. Under this final rule, the DOL clarifies whether certain kinds of benefits and other miscellaneous payments must be included in the calculation of the regular rate.

The final rule specifies what can be excluded from an employee’s regular rate of pay. The final rule also includes additional clarification about other forms of compensation, including payment for meal periods and call back pay. The changes become effective January 15, 2020.

Learn more including the full list of exclusions at https://www.cmaa.org/blogs.aspx?blogid=258752.

CMAA News and Resources

Improve Your Board’s Efficiency and Effectiveness: Attend a 2020 Club Leadership Summit

Improve your club’s governance efficiency and effectiveness by attending a Club Leadership Summit. These half-day, regional Summits bring together club management professionals and their Club President or Board Member for cooperative education. Explore the characteristics of high-performing clubs, the roles and responsibilities of the Board, President, and General Manager/CEO, evolving trends in the club industry, and more.

The 2020 Summits will take place in the following locations:

- Sunday, March 29 - Glen Oaks Club, Long Island, NY (Old Westbury, NY)
- Wednesday, April 15 - Addison Reserve, Del Ray Beach, FL
- Thursday, April 16 - The Club at Mediterra, Naples, FL
- Wednesday, November 18 - Brae Burn Golf Club, Boston, MA (W. Newton, MA)

Learn more at https://cmaa.org/summits/.
What Is the Certified Club Manager (CCM) Designation?

Developed by educators and professionals in the club industry and launched in 1965, the Certified Club Manager (CCM) designation is acknowledged industry-wide as the symbol of excellence in club management. The CCM is awarded only to those club managers who complete a combination of industry-specific education and pass a rigorous examination. The CCM recognizes skills and special knowledge in areas such as club governance, leadership, and financial management in clubs. Once the designation is earned, the CCM must maintain their level of knowledge with ongoing education.

Another benefactor of the CCM program is the club as an employer. Certification can be valuable for an employer’s reputation. Employees who have earned the designation through industry specific training, work experience, and assessment have demonstrated a level of competence that can affect the perception among the club membership. Other benefits to hiring a CCM come in the form of:

- Validating the competency of the club manager. Having a CCM on staff may ensure that your employee possesses current, relevant skills that afford them deeper insight into the industry, and a higher level of overall competence. With knowledge of recent trends, the latest regulations, and new and developing options, your CCM will become the “go to” person in directing the club.

- Promoting staff retention. By providing employees with opportunities to grow their talents and master new skills through the CCM program, you are demonstrating a commitment to their professional development that can translate into greater company loyalty.

- Assisting with managing risk. The CCM exam test applicable laws and regulations related to the industry. Employees with knowledge of these laws and regulations can assist with steering your club through potential problems, make recommendations that may prevent complications, and provide the club governance with advice.

The CCM is a globally recognized designation for club management professionals and the standard by which individuals demonstrate their professionalism in club management. Earning the CCM is a valuable achievement and a professional advantage for club managers at any stage of their career. Learn more at https://cmaa.org/certification.aspx.

The Board Brief is a publication of the Club Management Association of America. Founded in 1927, the Club Management Association of America (CMAA) is the largest professional association for managers of membership clubs with 6,800 members throughout the US and internationally. Our members contribute to the success of more than 2,500 country, golf, athletic, city, faculty, military, town, and yacht clubs. The objectives of the Association are to promote relationships between club management professionals and other similar professions; to encourage the education and advancement of members; and to provide the resources needed for efficient and successful club operations. Under the covenants of professionalism, education, leadership, and community, CMAA continues to extend its reach as the leader in the club management practice. CMAA is headquartered in Alexandria, VA, with 42 professional chapters and more than 40 student chapters and colonies. Learn more at cmaa.org.