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Human Advantage: Making People Part of Your Strategy

Susan R. Madsen, *Utah Valley University*



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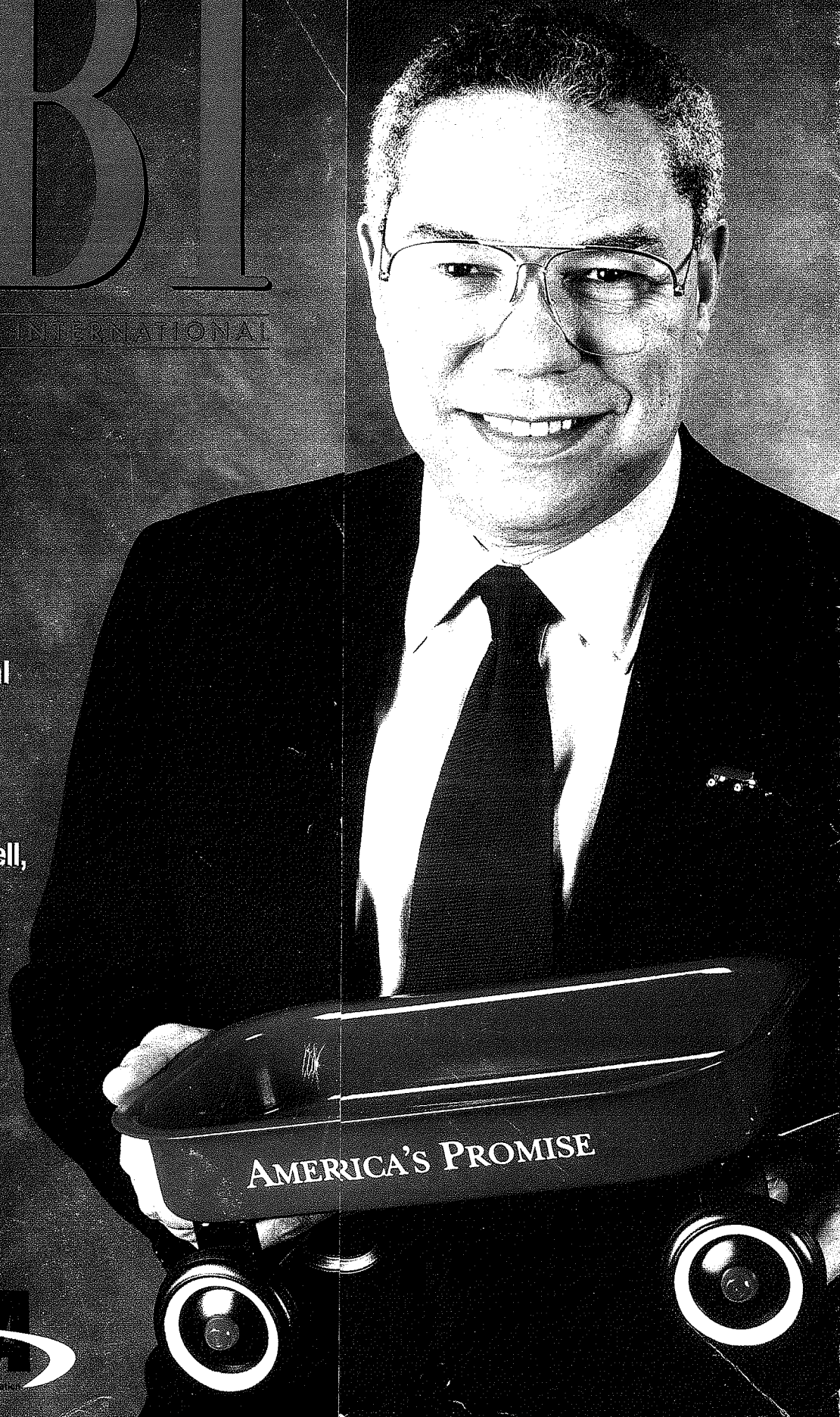
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General Powell's passion

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Human Advantage

—*Making people part of your strategy*

By Susan R. Madsen



Susan R. Madsen

Typically, at the outset of a new year, the management of a club will take some time to develop a strategic plan for the months to come. Many will also ask their department heads to submit their own plans as well, and will then integrate all of the suggestions and proposals into the club's "big plan."

The resulting documents, and what becomes of them, varies from facility to facility. The clubs that tend to be successful will generally use the plan to inform their decisions and actions—on a daily, weekly, and monthly basis—throughout the entire course of the year. Other clubs will employ them briefly, but then set them aside, referring to them only occasionally during the months ahead. And some clubs simply file them away, *period*, until it's time to begin drafting a new one.

One thing that most of these plans have in common, however, is that they rarely address the critical issue of developing the club's "human resources"—i.e., its employees. In the club industry, more than most others, it's staff that spells the difference between a lackluster, modest, or outstanding performance, so it's essential that they be a part of all planning.

Considering the human component, and the human upside, in your strategic plan, or even in your daily strategic thinking, can be incredibly beneficial to your business. Doing so provides a clear focus to help you enhance the contributions made by your employees, both individually and collectively. It affords an opportunity to methodically assess the attributes, needs, and potential—the human and intellectual capital—of individual workers. It increases the value of, and retention rate among, existing employees, while, at the same time, minimizing the high cost of recruiting, hiring, and training new ones. It helps guarantee that all employee performance improvement efforts (PIE), such as training programs, are linked to the organization's goals and, therefore, the club's bottom line. And, finally, it can be useful in developing a well-rounded PIE plan, not only for employees, but for the company, its systems, and its operation in general.

A strategic plan is a road map that's designed to assist an organization in achieving its mission, goals, and objectives through the intelligent use of *all* its resources. It requires

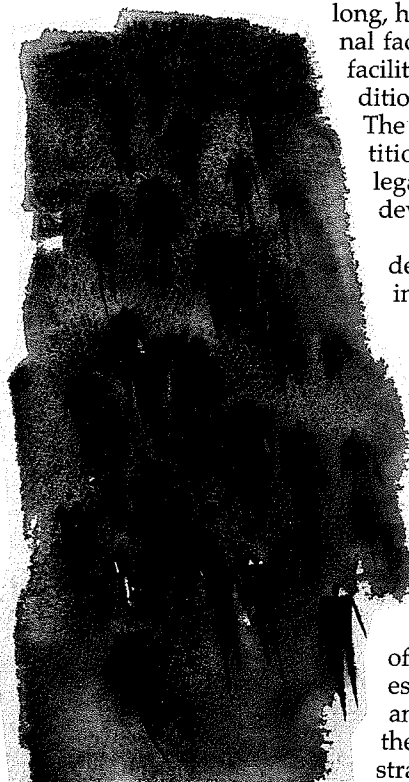
that management identify the fit—the relative match or mismatch—between a club's current resources and the requirements imposed by changing market conditions, emerging opportunities, etc.

To develop an effective plan, you need to understand and consider: (1) your club's position in the industry (e.g., its strengths, weaknesses, opportunities, and threats, or SWOT); (2) your competition's position; (3) where your organization wants to go; and (4) what resources it has and will need to get there. You may also want to take a long, hard look at a number of internal and external factors. The internal might include: physical facility; organizational structure; financial condition; fitness equipment and other inventory. The external might encompass: type of competition; sociocultural values; economic and legal/political conditions; and technological developments.

An effective plan will also set forth a detailed process for cultivating and unleashing the human enthusiasm, expertise, skills, and efforts that will be required to reach the club's concrete goals.

As you address the human side of your strategic plan, or deal with it each day while running your club, carefully consider the following three elements.

1. **Managerial staff**—A review of your managerial staff will provide a great deal of information that will be useful to your SWOT analysis. Your managers are also, of course, a pivotal component of your club's human resources, and it's essential that you evaluate their strengths and weaknesses with respect to the impact they may have on every aspect of your strategic plan, including new opportunities. Like any employee, managers should be encouraged and assisted to develop their professional skills, but, in no other case can the results be so far-reaching. It may be appropriate for them to attend trainings, workshops, and conferences, but first, their positions and responsibilities have to be analyzed so that the content of educational programs can be linked to probable improvements in their performance. This can be done by forecasting the financial benefits of training and other PIE. Such PIE could conceivably touch upon such general business topics as communication, feedback, interviewing, organization, leadership, decision-making, team-building, problem-solving, and conflict management, or such industry-specific



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subjects as fitness and sports-related programs, industry trends, etc.

2. Club-wide personnel—Each manager should engage in a similar process with all of their own employees, thoroughly evaluating positions, responsibilities, and strengths and weaknesses, before devising a plan to help each staffer contribute more effectively to the achievement of the club's strategic goals. One approach involves asking managers to submit

four types of information: (1) a list of all departmental employees; (2) an assessment of the knowledge and skills they possess that could assist the department in hitting its goals; (3) similarly, an assessment of their weaknesses; and (4) a departmental training plan predicated on all of these findings. Each educational opportunity can then be linked to specific weaknesses and the anticipated benefits of additional instruction. Such a process can help a business bridge the gap

between its current shortcomings, its aspirations, and its long-term needs.

3. Human-resource offerings—During the 1990s, hiring and holding onto good employees has become a matter of great, and growing, concern. Today, with unemployment rates at a rock-bottom 4%, clubs are obliged to work even harder to find the people they need to continue growing—and growing more profitable. In the same way that they need to review the roles and contributions of managers and other club personal, they're also well-advised to revisit, and possibly revamp, the incentives and induce-

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One thing most strategic plans have in common, unfortunately, is their failure to address the issue of developing the club's human resources.

ments they're offering to new and current employees. Among the items that should be considered are compensation, benefits, organization and job design, employee processes, employee assistance (e.g., counseling), training, career development, and selection and staffing effectiveness. Are you doing as much as you can to attract and incentivize good people?

The greatest resource we have in this industry is our employees, and, only by accounting for and incorporating the human element in everything we do can we produce an exceptional, effective strategy. ■

Susan R. Madsen is an independent human resource development consultant in White Bear Lake, Minnesota, and can be reached at 651-653-4470 or mads0101@tc.umn.edu.



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