

Private Club Governance

A HANDBOOK OF PRINCIPLES
AND BEST PRACTICES



CLUB
MANAGEMENT
ASSOCIATION
of AMERICA

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Acknowledgements

This handbook is a joint effort between NCA and CMAA and a product of the groups' joint Governance Committee.

It was created to be a resource for professionals and volunteers involved in the governance and operations of private clubs. It encompasses best practices as determined by recognized and respected subject matter experts and endorsed by top industry leaders. The intended use of this document is to promote good governance practices, and it is anticipated that it will be a reference in club industry education programs and be used by club boards, club industry consultants and club management professionals at individual clubs.

This publication was written by the Governance Handbook Content Sub-committee of the NCA Governance Committee, reviewed and approved by the NCA Governance Committee with joint representation from the CMAA Board of Directors, and ratified by both the NCA Board of Directors and CMAA Board of Directors in 2023.

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Introduction and Purpose

Governance is rarely among the most discussed topics for private club members. Instead, conversations typically center on aspects of the member experience such as the condition of the golf course, the quality of the lunch menu or the latest dues increase. There may be an occasional comment about the degree of trust in the board, the competence of management or the effectiveness of committees, but discussions of a club's governance model are generally as short as they are infrequent. Yet the quality of a club's facilities and services and the fees members pay are closely linked to how well a club is governed. Developing an effective governance model, therefore, deserves a high place on any club's priority list.

We are often asked what constitutes good club governance. Private club leaders want to understand best practices on matters such as the size of the board, the contents of bylaws, delegation of authority to the GM/COO, committee types and their roles, and the like. To help answer these questions, we asked a panel of experts to develop a high-level governance framework and address the individual topics within that framework. This handbook is the result of that collaboration. It is a compendium of recommendations on the principles and best practices of club governance, and we believe it's the most comprehensive resource available on this important subject.

While each club may have its own personality, culture and brand, the framework for governance and best practices associated with effective club boards are common. This handbook offers club leaders such a framework and the associated best practices as determined by the club community's most seasoned and respected governance professionals through a deliberative process facilitated by a joint committee. We recognize that some of the recommendations may be difficult for some clubs to adopt. We also recognize different clubs are at different places on the spectrum of poor governance to great governance, so we offer this handbook understanding there are different degrees of need and urgency with regard to improving governance models.

We would like to extend our thanks to the members of the joint Governance Committee¹ and the panel of club governance experts for their dedication in developing this resource for club leaders. It is through their efforts we can provide this publication to our members free of charge. We look forward to the discussions and progress to come.



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1. Refer to page 1 for a list of Governance Committee members and members of the panel of experts.