

**2013 State of the Association  
Presented at the Opening Business Session  
Friday, February 8, 2013  
San Diego, CA  
CMAA CEO  
James B. Singerling, CCM**

Welcome to the CMAA 86<sup>th</sup> World Conference and Club Business Expo. It's wonderful to see all of you and have your participation in this important annual event. 2013 is going to be a good year for CMAA and the club industry.

Today's political and economic climate has most American's navigating debates on "Main Street versus Wall Street" that resemble much of a tennis match. Wall Street likes to take credit for job creation, yet others argue that without Main Street business there would be no middle class and Main Street business is really the proponent responsible for job creation. Unfortunately for the club industry, it tends to serve as a political tennis ball, bouncing between arguments.

Popular media would like us to think that "private" clubs are a "Wall Street" necessity and are central to the lifestyles of the country's elite. It would be characteristically unfair for anyone to acknowledge, that yes, some clubs do in fact cater to the affluent, but the truth is clubs, as a whole, benefit their local communities as sustainable small businesses. You've heard me argue this point for years.

Clubs are responsible for job creation, sustaining local and other domesticated businesses, paying a majority of town and state taxes all while maintaining a standard of charitable giving. CMAA, in partnership with Club Benchmarking, has recently released the 2012 Economic Impact Report which highlights some of these little known facts.

For 2011, the total direct economic impact of clubs measured to be at \$19 billion, with the inclusion of all tax revenues generated as a result of club activities. Clubs employ 326,000 employees and payrolls equal \$9 billion. Clubs serve between 1.7 and 2.0 million members. The results show a vibrant industry that is comprised of small businesses that make a big impact on their local communities. I encourage you to review the complete report available at [www.cmaa.org](http://www.cmaa.org) and share with your club governing boards/ownership as well as your staff. We are a strong industry.

### *Membership*

CMAA is a MEMBERSHIP organization, an organization of engaged and participating members who learn and benefit from each other. The benefits of membership in CMAA are enumerable... from education and certification to networking at events like this World Conference; career development; access to the latest industry research and benchmarking as well as groundbreaking programs and services through Club

Solutions; and an organization that promotes your interest to the greater industry and beyond.

The Association ended 2012 with close to 6,500 CMAA members across all classifications, with our professional members representing 2,500 clubs in the United States and abroad. The 2008 recession struck this Association at its core through the loss of approximately 350 Professional members, a loss felt profoundly at the National and the Chapter levels of CMAA.

In the wake of the recession, CMAA rolled out a Step Membership Policy which allows first-time or rejoining members to join at \$500 (or 60 percent of the dues rate) and step up over the next two years to the prevailing dues rate, with the 2<sup>nd</sup> year being at 75 percent of the dues rate. Throughout the 2012 recruitment year, the Association saw marked success as a result of this change, coming close to our projected new member goal as well as exceeding the last three years' new professional member totals.

But this isn't about rapid expansion; our goal isn't about running up the member rolls. We are not looking to compete with the 27,000 members of the PGA of America or the 16,000 members of GCSAA. It isn't about numbers; it is about maintaining a strong, sustainable organization best serving the needs of club management professionals.

I ask that you indulge me for a moment and break with the traditions of the State of the Association presentation. Please stand up. Yes, that's right. Stand up. Now turn to the person behind you and introduce yourself, exchange your information – you know those old-fashioned business cards or bump phones or whatever it is the kids' do these days.

Thank you. Now I ask that you make a commitment to connect with your new colleague and friend once over the next year, be it a telephone call, over a cocktail or any opportunity where you will have the opportunity to take advantage of the most valuable thing offered by CMAA—networking.

Now, let's take this exercise a step further. I ask you to think about who is not sitting in this room that should be here next year. This is not an effort that is built on recruiting just new members but we need to bring our lapsed members back into the fold as well. One of our largest areas of member loss has been in the third and fourth members from each of your facilities.

Membership recruitment and retention is the first and foremost goal on our strategic plan. In addition to the implementation of the Step Membership, the Chapter/Member Services Committee has worked hard over the past several years to create new and innovative strategies. This year, we are putting even more manpower into this effort with the creation of a Membership Strategy Taskforce. This taskforce is representative of CMAA members with delegates from all generations, management positions and genders. As well, it includes industry representative and expertise. The Taskforce will begin meeting here at Conference and meet again later in the spring. Its purpose will be

to take the work of the strategic plan of the national Chapter/Member Services Committee and vet out the operations aspects of recruitment and retention.

We are also targeting industry Management Companies for membership prospects. In working with these companies, we can collaborate and create mutually beneficial relationships which bring new members to the Association while allowing the management companies to benefit from our flourishing and already established curriculum and educational programming.

We are not focusing on just recruiting members but retaining and better engaging our existing members as well. Engagement starts from the moment an individual chooses to invest in a membership in CMAA. First year members receive special monthly communications and special incentives to ensure they are fully aware of the benefits of their membership in the organization and how to take advantage of the resources available through National Headquarters.

All CMAA members are benefiting from streamlined communications. In 2011 and into 2012, CMAA conducted a communications audit to evaluate how our messages were being received by our membership. We've taken this information to make real changes in our publications; we've sent less e-mail; and added more substance to our editorial. With our new communication standards and categories, we have made it easier for our members to consume the information they need to fully utilize and engage in their CMAA membership. One of our biggest changes was the recent change to the biweekly Outlook electronic newsletter. We will continue to work to effectively communicate with you and you can expect further changes this year.

We are also working on ways to engage our unemployed members. This is a time when these members may need our assistance the most; we must provide exceptional service to these individuals to assist them in locating a new position which best meets their skills and needs through ClubCareers as well as transitioning them through a difficult time for any professional through our coaching and résumé services.

CMAA is a membership organization, built on the recruiting efforts of our members. We need you to take the initiative to go out and share the value of CMAA. Share with each of them what you will hear today about the latest developments for the Association and how the offerings and value continue to grow with *ClubSolutions<sup>SM</sup>* and CMAA University. Coupled with our industry-leading professional development, CMAA is THE resource for the club industry.

What is harder to quantify is the value that each member brings to the Association through what each of us can learn from one another. Each member brings great experience, expertise and perspective that it is invaluable to other members when connecting at one of our Business Management Institute programs, a chapter meeting or online through our active LinkedIn community. We all must continue to find ways to succeed and bring new members to this organization. It benefits all of us and ensures the vibrancy and health of our chosen profession and our Association.

## Professional Development

If you look at CMAA's mission statement – as I'm sure you all do daily – it reads:

*The Club Managers Association of America advances the profession of club management by fulfilling the educational and related needs of its members.*

Our mission hasn't changed since 1927. But thankfully, our Professional Development has. It keeps pace with the latest trends, information, resources and methodologies of adult learning. We are not resting on our laurels. If you have been to any of our programs in the last year, you know this.

Our professional development offerings and certification programs continue to be robust and industry-leading. This year was another active one for the certification program. In 2012, 62 managers earned the CCM designation, bringing the total number of Certified Club Managers to nearly 1,500 (that's 30 percent of the Association's eligible membership). During the past year, 181 managers maintained their CCM designations by completing the Certification Maintenance Requirement (CMR). The CMR, approved by the CMAA Board of Directors in 1998, mandates that all CCMs obtain 120 certification credits within their five-year certification period to maintain their designation.

Also in 2012, 25 managers completed the requirements to enter the Honor Society. In addition, 28 managers received the Certified Chief Executive designation.

Furthermore, more than 560 individuals attended a Business Management Institute in 2012.

One of the biggest educational initiatives is the changes to the Conference Education sessions which you are experiencing here in San Diego, CA. More than 70, high-caliber sessions will be presented and all have been tailored to one of three tracks, Pre-Certification, Post-Certification and Executive. These determinations were available in all advance materials as well as your on-site program. It helps you best select the session which meets your current educational needs.

With more than 40 percent new faculty this year, the sessions are fresh with the latest content and information available anywhere. In addition to our two General Education Session speakers, Tommy Spaulding, and Jim Abbott, many high profile speakers are also featured in our 90 minute manager education sessions. These include notables such as World War II hero, Louis Zamperini; futurist, David Houle (pronounced HULE); and Major General (Retired) Vincent Boles.

CMAA University was first introduced to CMAA members in July of 2011. It was the Association's first foray into online education. It was the next logical step after the success of the webinars and building on the success of our lifetime professional development program.

Like all technology which grows by leaps and bounds in less than a year, 2012 gave CMAA the chance to move to a new learning management system, LightSpeed. Officially re-launched in October, the new platform is more interactive and user-friendly. As well, this resource now features more courses, more content and more opportunities for you to further your club management goals.

Members are already using this to:

- Access 167 training courses on a wide range of topics such as risk management, human resources solutions, information technology, leadership and OSHA compliance in the Club Training Center.
- Browse our archives of recent expert-led webinars on the latest issues and topics in club management as well as the schedule of upcoming live opportunities.
- Explore information on CMAA's Certification, Business Management Institutes and ClubSolutions<sup>SM</sup>.

And the expansion is far from over. This ever-evolving resource will soon feature:

- Subject matter expert-led courses, certificate programs and more across CMAA's ten competency areas.
- The updated, interactive Manager In Development program

The possibilities of online content are endless. However, please be assured that CMAA is devoting equal resources to its in-person Business Management Institute programs. Online education has its place in our programming but it is not designed to substitute the classroom experience and all of the benefits you get from networking with 40 of your peers. However, CMAA understands the need for online education and the ability to learn on your own schedule, without sacrificing time away from your club and family. We also understand budgetary and time constraints; with options such as CMAA University, you can continue to engage in lifetime professional development even during tough times. As we all can attest, it is the tough times where we most need professional development and the opportunity to expand and learn beyond our day to day lives.

*ClubSolutions<sup>SM</sup>*

CMAA has a tradition of offering club management products, programs and solutions that make your job easier so you can focus on what really matters — your members.

Two years ago from this podium, I first announced CMAA's efforts to create a Risk Management Department. Since then, we've uncovered many products and solutions to help you run your clubs. This in turn has prompted us to expand our vision and

transition to what is now known as CMAA *ClubSolutions*<sup>SM</sup>. The new name better conveys the growing suite of solutions that are now available to you and your clubs.

CMAA *ClubSolutions*<sup>SM</sup> offers two subscription programs – ClubDNA and Premier Club Services – as well as the ability to purchase many of the solutions individually.

You may be asking yourself - “Why is CMAA getting into this business?” The short answer is to benefit you, our members. We have leveraged the size of the CMAA membership to construct programs that ensure you and your clubs get the best value for your dollar.

Prior to our entry into providing these solutions we commissioned Global Golf Advisors to work with actuaries from KPMG to explore its feasibility. The review conducted by Global Golf Advisors was thorough and confirmed the industry need for these programs and services.

In addition, all *ClubSolutions*<sup>SM</sup> are vetted and due diligence is executed before we introduce them to you. It has taken time to build and launch these solutions; time well spent to ensure that you and your clubs are participating in tested and proven programs.

I understand the complex politics of the club dynamic and we have constructed this program to allow flexibility for you. With the insurance programs offered through *ClubSolutions*<sup>SM</sup>, the club can work with your current broker/agent or you can choose to work with an agent from CMAA’s Preferred Provider Network. You can even use these options as leverage and negotiate a better deal with your existing plans.

In 2012, *ClubSolutions*<sup>SM</sup> introduced several new programs and resources:

- The ClubDNA Insurance Program which includes broad insurance coverage, facility management software, and a suite of solutions. The cornerstone of this program is the cutting-edge ClubDNA Facility Management Software. This is a proprietary facility management and communication software program for daily operations, maintenance and risk management. Not only does the ClubDNA program offer our clubs the best in class insurance coverage, but also a suite of additional solutions that help you and your staff in the day to day operations.
- The Club Disaster Hotline – This is a complete remediation, renovation and reconstruction service program for any CMAA member-managed club. It provides warrantied work by licensed, insured and bonded contractors for any issue from a small water leak in the clubhouse to a complete loss of your property.
- The Club Retirement Plan – A Multiple Employer Plan (MEP) with major advantages including waived annual audit, waived 5500 filing, transferred fiduciary responsibility for investment selection and monitoring, broader

investment pool, fewer administrative duties such as loan and distribution approval and tracking, eligibility and contribution tracking and more.

- CardioReady (AED Certification) – A discounted certification program which could lead to discounts on your club's general liability insurance while ensuring the health and safety of your staff, members and guests.

The above solutions join our existing programs and services:

- Agility ReadySuite Recovery;
- Background Checks;
- Premier Club Services (PCS); and
- Club Benchmarking.

In 2013, CMAA ClubSolutions<sup>SM</sup> will continue to add products and services to our suite of offerings as well as actively visit CMAA chapters to educate and share information.

What I've given you is a brief overview of what we offer. I encourage you to learn more about the exclusive solutions available to CMAA members and their clubs here at Conference by visiting the booth in the Club Business Expo tomorrow or at the Member Services Pavilion for the balance of the week. Year round, full information is available at [www.preparemyclub.org](http://www.preparemyclub.org).

### *Closing Remarks*

It was a busy 2012 and 2013 promises to be even more exciting for our members. Professional managers are more educated and more respected than at any time in the 85 year history of our organization. Your Association remains committed to furthering your profession and providing you with the tools you need to succeed.

As we look forward to a great 2013 - we all certainly deserve it – please remember to share the value of CMAA to the individuals who should be sitting in this room next year in Orlando. CMAA is only as strong as its membership. To continue to provide the services and education programs CMAA now offers, we need every member to make recruitment a priority. With CMAA's Step Membership Program, it has never been easier to join this great organization and immediately begin engaging in all that we offer.

Help us re-build out membership and ensure the future of the club management industry. Thank you for your continuing support.