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A Competency Model for Club Leaders

by Kate Walsh, Ph.D., and Jason P. Koenigsfeld, Ph.D.

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EXECUTIVE SUMMARY

This exploratory study offers a competency model for leaders of service businesses (such as clubs) where low-skilled labor delivers a product to a long-term, repeating clientele. A survey of 596 private club managers highlights the importance of five sets of leadership competencies: teamwork, connecting with staff members and clients, strategic thinking, effective communication, and working with and through people. This leadership competency model highlights the skills required to lead at the individual, team, and organizational levels, while simultaneously managing the client experience. The study also compared perceptions of leaders against those of line-level managers and found that leaders differ from their managerial staff when viewing the importance of communication competencies and leading by example. Overall, results emphasize the importance of engaging clients, understanding their needs, and using that understanding to shape the service experience. Although clubs are a specialized type of service business, the key competencies for club leaders lend useful insights for those leading other hospitality sectors.

ABOUT THE AUTHORS

Kate Walsh, Ph.D., is an associate professor of management at the School of Hotel Administration. She received her Ph.D. from the Carroll School of Management at Boston College and her M.P.S. degree from Cornell University's School of Hotel Administration. Her primary research is in the area of services management. She also conducts research examining the role of strategic human resource initiatives on organizational performance. In addition to contributing to numerous books, her articles are appearing or have appeared in such outlets as *Journal of Management, Journal of Service Research, Journal of Vocational Behavior, Human Resource Management Review, Organization Science, Research in Management Consulting, Journal of Applied Behavioral Science, The Learning Organization, International Journal of Hospitality Management* and *Cornell Hospitality Quarterly*. Her industry experience includes positions with Nikko Hotels International, the former Bristol Hotels Company, and Loews Corp. She is also a Certified Public Accountant.

Jason P. Koenigsfeld, Ph.D., is the senior vice president of professional development for the Club Managers Association of America (CMAA). Jason is responsible for all of CMAA's domestic and global education and certification programming. In addition to his role at CMAA, Jason has conducted numerous education sessions on topics ranging from leadership, management competencies, communication, strategic planning, and team development for the Club Managers Association of Southern Africa (CMASA), the Club Managers Association of Europe (CMAE), the China Chapter of CMAA, the Canadian Society of Club Managers (CSCM), The Private Club Alliance of Russia (PCA), Golf Managers of New Zealand (GMANZ), and The Colombian Club Managers Association, as well as CMAA. Jason has published a number of articles in both academic peer reviewed journals, as well as trade magazines.

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To ensure the success of a service organization, leaders must have skills and abilities to shape service systems and guide employees to deliver the service experience. So far, however, we have yet to see a set of leadership competencies required for service businesses—let alone those needed for the club business. As a result, we cannot provide new managers with the competencies they need to develop in their careers. To address this issue, we conducted a survey of 596 club managers to examine the leadership competencies required for general managers of private clubs. The club industry has the classic characteristics of other types of service businesses, meaning that managers are guiding staff members in relatively low-skilled jobs to fulfill guests' wants and needs. However, clubs are distinguished from other service organizations by the presence of their members, who are long-term clients that have a strong connection with their clubs. Given that club general managers must report to the members' board of directors, the interactions between club members and managers create a distinctive dynamic, which likely makes skills related to guest needs' and interactions even more salient.

As we discuss more in a moment, competencies may include "a motive, trait, skill, aspect of one's self-image or social role, or body of knowledge" which a manager uses in the course of his or her work.[1] A leadership competency framework summarizes the skills, knowledge, and behaviors required to be effective in a leadership position.[2] In this study, we assess service leaders' perceptions of the importance of a particular set of competencies to their work and to their organization's success.

We know that strong leadership is important in all businesses, but nowhere is leadership more critical than in service organizations, where the leader influences employees' selection and motivation, shapes the delivery process, and drives overall quality.[3] Indeed, to the degree that leaders are more focused on service quality, and provide employees with behaviorally based feedback on their performance, employees are more successful in delivering a service that is perceived by customers to be of high quality.[4] Leaders are central to creating a service climate that is focused on setting high standards and expectations of performance, and modeling this service performance with their own behaviors.[5]

The importance of the leader's role in a service organization's success highlights the need to understand which specific leadership competencies are crucial. We examine this issue by conducting a survey of leaders (in this case, general managers) and managers (i.e., department or line managers). We conduct a factor analysis of the survey results to determine categories of competencies these leaders find critical for their success. We then assess which categories are associated with an important measure of their organization's success, its revenue base. Finally, we determine the degree to which leaders' perceptions of the importance of specific competencies match what managers rate as important for their own future success as developing leaders.

The Value of Competency Models

Competence can be defined as the ability and willingness to perform a task. Competence strengthens over time as individuals develop the required skill sets for their positions. If, for each position, competencies are tailored to the organization's capabilities—or the difficult-to-replicate service the firm provides—they can help provide a competitive advantage that develops a firm's reputation for its particular, non-substitutable product.[6] To do so, many organizations create strategically driven competency models that identify the human capital (in the form of knowledge, skills, and abilities) needed for effective performance in a particular position. The most effective competency models show how each position contributes to meeting the organization's goals.[7]

Within this framework, leadership competency models have been used to create professional development plans and training programs.[8] Because they represent a measurable benchmark detailing the human capital and individual needs for a particular job, competencies put expectations into a common language that organizational members can comprehend, and they help turn job descriptions into useful development tools.[9] Indeed, many organizations use them as the basis for hiring, training, and evaluating their talent.[10] These models are inextricably tied to the organization's goals and objectives, and thus they provide individuals with measurable direction.[11]

Our study adopts the organizing approach used for most organizational competency models by grouping competencies by what is termed domains, or clusters of skills and behaviors. These domains are overall themes, and thus represent a collection of similar types of knowledge, skills, and abilities. Typical leadership themes reside in what are called the conceptual, leadership, and interpersonal domains.[12] The conceptual domain comprises cognitive skills needed for comprehending important elements of the job, including innovative thought. The leadership domain reflects the ability to plan strategically, as well as act as a role model and a mentor. Finally, the interpersonal domain focuses on interaction with others, particularly subordinates, using such communication skills such as listening, writing, negotiating, and conflict management.[13]

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[1] Boyatzis, Richard E. (1982), *The Competent Manager: A Model for Effective Performance*. New York: John Wiley and Sons, p. 21

[2] Evers, Frederick T., James C. Rush and Iris Berdrow (1998), *The Bases of Competence*. San Francisco, CA: Jossey-Bass

[3] Wieseke, Jan, Florian Kraus, Sascha H. Alavi and Tino Kessler-Thomas (2011), "How Leaders' Motivation Transfers to Customer Service Representatives," *Journal of Service Research*, 14, 214-233.

[4] Hartline, Michael D. and O.C. Ferrell (1996), "The Management of Customer-Contact Service Employees: An Empirical Investigation," *Journal of Marketing*, 60, 52-70.

[5] Bowen, David E. and Benjamin Schneider (2014), "A Service Climate Synthesis and Future Research Agenda," *Journal of Service Research*, 17, 5-22

[6] Lado, Augustine A. and Mary C. Wilson (1994), "Human Resource Systems and Sustained Competitive Advantage: A Competency-Based Perspective," *Academy of Management Review*, 19, 699-727.

[7] LeDeist, Francoise and Jonathan Winterton (2005), "What Is competence?" *Human Resource Development International*, 8, 27-46.

[8] Kent, William E., and Larry J. Perdue (1989), "Professional Education in Hospitality Industry Associations: The Club Managers Association of America's Conceptual Breakthrough," *Hospitality Educational and Research Journal*, 13, 397-405.

[9] Intagliata, J., Dave Ulrich and Norm Smallwood (2000), "Leveraging Leadership Competencies to Produce Leadership Brand: Creating Distinctiveness by Focusing on Strategy and Results," *Human Resource Planning*, 23, 12-23.

[10] Campion, Michael A., Alexis A. Fink, Brian J. Ruggeberg, Linda Carr, Geneva M. Phillips and Ronald B. Odman (2011), "Doing Competencies Well: Best Practices in Competency Modeling," *Personnel Psychology*, 64, 225-262

[11] Intagliata *et al., op.cit.*

[12] Lucia, Antoinette D. and Richard Lepsinger (1999), *The Art and Science of Competency Models*, San Francisco, CA: Jossey-Bass.

Critical Competencies in the Services Sector

The context we examine is unusual because it blends current research on two different forms of service experiences: the relationships which more educated service providers form with clientele, and the encounters that low-skilled employees create with customers. The first examines professional service firms and the nature of delivering knowledge-based expertise to long-term clients. By developing a shared history of the clients' needs, service providers apply their expertise to solve their clients' complex problems.[14] In this context, building strong client relationships is crucial to the service firm's success.[15]

Alternatively, many service providers, such as convenience stores and restaurants, deliver a quick and efficient product to customers mostly through employing low-skilled labor. Indeed, a great deal of service research focuses on how to organize low-skilled employees to manage temporary and often nonrecurring interactions with customers.[16] Most empirical studies have examined service quality in the context of transactional encounters with customers whose patronage amounts to sporadic or isolated interactions.[17]

What has yet to be explored, however, is what happens when low-skilled labor delivers a service product to long-term clientele. Ideally, this would occur through the provider obtaining a sense of the clients' specific needs over time, so much so that the client would not even need to articulate his or her wants or desires. Yet, being able to provide this customized and focused type of service likely requires a different skill set, and training, than what is needed to deliver quick and efficient service to customers.

The challenges associated with training low-skilled labor to think about and respond to the needs of long-term and often demanding clientele suggest that the competencies required to lead this particular type of service organization and staff may be different from our more traditional notions of what is required to manage a basic service experience. For example, one could imagine a leader needing the skill set to calm an irate client who is frustrated by an employee's continued lack of understanding of the patron's cues and needs.

We contend that in addition to competencies related to directing their staff, relational competencies associated with listening to and responding to client's needs would be especially salient for leaders in these types of organization, such as club managers. This is because long-term clients are likely to experience variable levels of service from employees who often turn over at rapid rates.[18] Yet, given their loyalty and repeat business to the organization, such clients are also likely to have great expectations. As a result, they are more likely to demand service attention from those in leadership positions. As such, leaders who understand and can effectively respond to the needs of their clientele will likely be more successful.

Leadership versus Managerial Perspectives

The provocative aspect of competency modeling is that the human capital mix required for success shifts as individuals progress within their careers—and perhaps within organizations—and assume positions with greater degrees of responsibility. Thus, while competencies can reflect a level of proficiency within a particular position, they can also help an individual identify the sets of knowledge and skills required for their success as an individual's career moves forward.

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[13] See: Sandwith, Paul (1993), "A Hierarchy of Management Training Requirements: The Competency Domain Model," *Public Personnel Management*, 22, 43-62. Sandwith identified a fourth domain, termed administrative, which refers to skills in financial management, marketing, and legal issues, and a fifth domain, termed technical competencies. For purpose of this study, however, we choose to focus on the more critical overarching skills required for leadership success.

[14] Jaakkola, Elina and Aino Halinen (2006), "Problem-solving within Professional Services: Evidence from the Medical Field," *International Journal of Service Industry Management*, 17, 409-429; and Svensson, Goran (2006), "New Aspects of Research into Service Encounters and Service Quality," *International Journal of Service Industry Management*, 17, 245-257.

[15] Guenzi, Paolo and Ottavia Pelloni (2004), "The Impact of Interpersonal Relationships on Customer Satisfaction and Loyalty to the Service Provider," *International Journal of Service Industry Management*, 15, 365-384; and Svensson, Goran (2006), "New Aspects of Research into Service Encounters and Service Quality," *International Journal of Service Industry Management*, 17, 245-257.

[16] For example, see: Bowen, David E. (1986), "Managing Customers as Human Resources in Service Organizations," *Human Resource Management*, 25, 371-383; Bowen, John and Robert C. Ford (2002), "Managing Service Organizations: Does Having a "Thing" Make a Difference?" *Journal of Management*, 28, 447-469; and Bowen, David E. and Edward E. Lawler (1995), "Empowering Service Employees," *Sloan Management Review*, 36, 73-84.

[17] For example, see: Bitner, Mary Jo, Bernard H. Booms and Mary S. Tetreault (1990), "The Service Encounter: Diagnosing Favorable and Unfavorable Incidents," *Journal of Marketing*, 54, 71-84; and Cronin, J. Joseph. and Steven A. Taylor (1992), "Measuring Service Quality: A Reexamination and Extension," *Journal of Marketing*, 56, 55-68.

[18] Tracey, J.B. & Hinkin, T.R. (2008). Contextual factors and cost profiles associated with employee turnover." *Cornell Hospitality Quarterly*, 49, 12-27.

Research has focused on distinguishing between leadership and managerial roles, noting that important differences exist between acting as an effective leader and acting as an effective manager. In addition to having a different focus—strategic change (for leaders) versus operational implementation (for managers)—leaders are responsible for creating and communicating a vision that will "motivate and inspire their employees, while at the same time keeping them moving in the right direction and satisfying their basic human needs, values, and emotions."[19] Effective managers then enact the plan that emerges from the vision, allocate and control the resources for the firm, and implement operational decisions.[20] Given these different responsibilities, we also expect to see that competencies needed for successful leaders are different from those needed for competent managers. This study tests that assumption and considers the competencies which leaders believe are central to their current success, as contrasted with what managers believe will be important to their future success.

Research Design

In a survey conducted in March 2007, we sampled 800 private club managers from throughout the United States. Participants were members of the Club Managers Association of America, which represents managers in more than 3,300 private clubs in the United States.[21] Managers were randomly selected from the CMAA membership list representing all of types of private clubs, including golf, city, yacht, and athletic clubs in six geographic regions. Of the 800 club managers surveyed, 372 responded, for an overall response rate of 47 percent. We acquired another 231 surveys by sampling club managers who participated in one of seven CMAA professional development programs, as well as two CMAA chapter education meetings. Of the 603 total surveys, 596 were useable for this study. Of our total sample, 376 participants (63%) held the top general manager or chief operating officer role in their establishments. The remaining 220 participants held department-level manager or assistant manager roles in their organizations.

Our survey listed 55 leadership competencies, grouped into the three domains we mentioned above: conceptual, interpersonal, and leadership.[22] The conceptual domain was composed of eleven competencies relating to the organization's mission, strategic environment, development of new ideas, and adaptation to changing circumstances. The interpersonal domain comprised fourteen competencies involving interacting with others, including negotiating with and providing feedback to employees. The remaining 30 competencies fell into the leadership domain, and included managing time to ensure productivity, building networks inside and outside the work place, inspiring and motivating others, leading the company through change, delegating, and evaluating the ethical implications of decisions.[23]

We divided the respondents into two groups based on their job title. For the purpose of our analyses, we combined the job titles of manager, house manager, and assistant manager into our manager category. We grouped respondents who were general managers or chief operating officers of their clubs in the leader category. For the survey, leaders were asked simply to rate each competency on its importance to their job. However, we asked the managers to assume that they were effective general managers or COOs of a club, and to also rate each competency on their estimate of its importance in their prospective position. We measured importance on a five-point Likert-type scale anchored by critically important (5) and not at all important (1). We also surveyed participants on club and personal demographics, including gross dollar volume of the club. We collected information regarding the type of club and location, ownership, number of members, number of full time employees, private classification, and seasonality of club. Personal demographics we collected included job title, age, gender, education level,

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[19] Kotter, John P. (1990), "What Leaders Really Do," *Harvard Business Review*, 68, 103-111, p. 104.

[20] Bartlett, Christopher A. and Sumantra Ghoshal (1997), "The Myth of the Generic Manager: New Personal Competencies for New Management Roles," *California Management Review*, 40, 92-116

[21] Club Managers Association of America. (2007), "Who we are." www.cmaa.org/who/index.html. We used this particular setting as a means to focus on the competencies required for managing a service experience comprising a repeat clientele, delivered by relatively low-skilled labor.

[22] We identified items (or competencies) for each of the three domains using Bloom and colleagues' Taxonomy of Educational Objectives (1956). These were also obtained from previous work identifying competencies relevant for leading service organizations, including Chung-Herrera, Beth G., Cathy A. Enz and Melenie J. Lankau (2003), "Grooming Future Hospitality Leaders: A Competencies Model," *Cornell Hospitality Quarterly*, 44, 17-25: Kay, Christine and Elisa Moncarz (2004), "Knowledge, Skills, and Abilities for Lodging Management Success," *Cornell Hospitality Quarterly*, 45, 285-298; Lucia and Lepsinger, *op.cit.*; Sandwith, op.cit.; and Tas, Richard F. (1988), "Teaching Future Managers," *Cornell Hospitality Quarterly*, 29, 41-43.

[23] We pilot tested the survey with a panel of six experts from the club industry as well as five university educators. Panel members asked to evaluate each competency statement for clarity, conciseness, accuracy, and relevancy to the private club industry and based on their feedback, we made slight editorial revisions to our list of competencies to customize them for club-specific language.

Exhibit 1

Comparison of respondents' characteristics with those of the full CMAA membership

Characteristic	Population	Sample
Average Age of the Manager	44	46
Percentage Male	83%	86%
Percentage Certified	35%	52%
Percentage of Honor Society Members	10%	23%
Percent of Clubs that are Member Owned	80%	83%
Percent of Clubs that are Developer Owned	13%	10%

years employed at present position, number of clubs managed during career, and years of management experience in club industry.

We characterized each competency according to the following scale: mean scores over 4.50 were considered essential, mean scores between 4.49 and 3.50 were considered reasonably important, and mean scores between 3.49 and 2.50 were considered moderately important.[24]

Next, we took only leaders' responses and conducted an exploratory factor analysis on all 55 competency statements. This analysis yielded five distinct factors. [25] We wanted to determine the association between these five factors and each club's gross revenues. For this we used a median split procedure to divide each competency within each of the five factors. If a GM rated a competency above the median, we assigned a score of 1 to that competency; otherwise we assigned a score of zero. We then summed the competencies within each factor to obtain an overall summed factor score.[26] Controlling for the number of club members, as well as the number of employees, we performed multiple regression to determine the association of each factor with the organization's gross dollar revenues.

Finally, to determine the degree to which managers were aware of the competencies critical to their future success, we performed a series of t-tests. Our purpose was to examine whether there was a statistically significant difference between general managers' ratings of the competencies (in each of the five factors) and the ratings of lower-level managers. Statistically significant differences between the two groups might indicate areas where managers' conceptualizations of critical leadership competencies did not match those general managers (and presumably would need correction).

Sample composition. Overall, our sample's demographics matched the CMAA population (see Exhibit 1). Seventy-two percent (426) of respondents manage country clubs, while 13 percent (76) manage golf clubs, 6 percent manage city clubs, and 3 percent manage yacht clubs. On average, managers reported having 85 full time employees working at their club. Twenty-eight percent (166) reported having between 501 and 750 members at their club, 26 percent (156) had between 251 and 500 members, and 25 percent (152) had over 1,000 members. Most of the private clubs were member owned (83 percent, or 495). Ten percent of the managers (61) reported that their club was developer owned, and 6 percent (36) reported that their club was owned by a company or individual.

One hundred and seven respondents (18.4 percent), reported a gross dollar volume of between $1 and $3 million (excluding initiation fees), while 222 respondents (37 percent), reported between $3 and $6 million, and 114 respondents (19.6 percent) reported between $6 and $9 million. An additional 66 (11.3 percent), reported earning between $9 and $12 million, while the remaining 64 (11 percent), reported gross revenues greater than $12 million.

Eighty-six percent of respondents were male, their average age was 45.6, and 64 percent had a bachelor's degree or higher. Respondents had an average of seventeen years of management experience in the club industry, and the mean tenure at their present position was six years. Twenty-five percent (151) had managed one club during their career; another 25 percent (147) had managed two clubs, while 19 percent (113) had managed three clubs, 13 percent (80) had managed four clubs, and 15 percent (92) had managed five or more clubs.

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[24] This scale was previously used by: Christou, Evangelos & Eaton, Jack (2000), "Management competencies for graduate trainees," *Annals of Tourism Research*, 27, 1058-1061;and Tas, *op.cit*.

[25] Maximum likelihood analysis and the promax factor rotation were used to extract factors. The Kaiser-Meyer-Olkin measure of sampling adequacy was .962 indicating the present data were suitable for principal component analysis (see: Meyers, Lawrence S., Glenn Gamst and A.J. Guarino (2006), *Applied Multivariate Research Design and Interpretation*, Thousand Oaks, CA: Sage Publications). The Barlett's test of sphericity was significant ($p < .001$), indicating sufficient correlation between the variables to proceed with the analysis. Using the Kaiser-Guttman retention criterion of eigenvalues greater than 1.0, a five-factor solution became the clearest extraction, and accounted for 50.4% of the total variance.

[26] Note that summing scaled data would not yield appropriate or meaningful interpretations about distinctions between the factors.

Exhibit 2

Essential club leader competencies

Rank and Domain	Competency	Mean	SD
(1) Leadership	Treats people with respect.	4.86	.42
(2) Leadership	Leads by example	4.79	.47
(4) Interpersonal	Frequently listens directly to members.	4.72	.52
(4) Interpersonal	Maintains working relationship and good communication with all departments.	4.72	.52
(5) Leadership	Works to establish strong relationships with the membership.	4.71	.54
(6) Leadership	Considers membership needs when making decisions.	4.66	.52
(8) Interpersonal	Displays consistency between works and actions	4.60	.61
(8) Leadership	Considers ethical implications prior to making decisions.	4.60	.65
(9) Leadership	Works constructively under stress and pressure.	4.57	.63
(10) Leadership	Inspires and motivates others.	4.56	.57
(11) Interpersonal	Achieves a positive working relationship with employees based on work interactions.	4.54	.61
(12) Leadership	Gives others authority necessary to accomplish objectives.	4.53	.61
(12) Leadership	Gives updated information	4.53	.60
(14) Conceptual	Adapts creatively to changing circumstances.	4.52	.61
(15) Conceptual	Assists in operational and strategic planning.	4.51	.68
(18) Conceptual	Comprehends and fosters the organization's culture, values, beliefs, vision and norms.	4.50	.69
(18) Leadership	Pursues continual learning and self-development.	4.50	.66
(18) Leadership	Delegates effectively to others.	4.50	.64

Analysis of Important Competencies

Of the 55 competencies, respondents identified 18 competencies as essential (that is, 4.5 or higher), 35 as considerably important, and the remaining two as moderately important. None fell below this category. Of the 18 essential competencies, 11 came from the leadership domain. In fact, the top two competencies were 'Treats people with respect' and 'Leads by example' (see Exhibit 2). Two others were also ranked high: 'Works to establish strong relationships with the membership' (seventh), and 'Considers membership needs when making decisions' (eighth). Four competencies came from the interpersonal domain, including two tied at number four: 'Frequently listens directly to members' and 'Maintains working relationships and good communications with all departments,' while three competencies came from the conceptual domain.

Factor Analysis Results

Five factors emerged from the factor analysis (see Exhibit 3, next page), beginning with a factor we called 'Leveraging the Team.' This factor comprises the following seven competencies from the leadership domain: 'Promotes respect for diversity and individuals,' 'Champions ideas and initiatives for increased efficiency,' 'Considers membership needs when making decisions,' 'Pursues continual learning and self-development,' 'Employs a team approach to solve problems,' 'Creates an exciting and challenging work environment,' and 'Keeps members and staff updated with information.'

We called the second factor 'All about the People—Clients and Employees.' This factor encompassed six competencies: three from the leadership domain, two from the interpersonal domain, and one from the conceptual domain. The leadership items were: 'Treats people with respect,' 'Works to establish strong relationships with the membership,' and 'Leads by example'; the conceptual competency was 'Comprehends and fosters the organization's culture, values, beliefs, vision and norms'; and the interpersonal items were "Actively and frequently listens to members' and 'Maintains working relationships and good communications with all departments.'

We named the third factor 'Big Picture Thinking and Implementation.' This factor included the following six factors, all from the conceptual domain: 'Anticipates obstacles and develops contingency plans,' 'Translates busi-

EXHIBIT 3

Factor analysis results

Factor	Competencies	Path Coefficient
Leveraging the team	Promotes respect for diversity and individuals (L)	.832
	Champions ideas and initiatives for increased efficiency (L)	.728
	Considers membership needs when making decisions (L)	.705
	Pursues continual learning and self-development (L)	.687
	Employs a team approach to solve problems (L)	.661
	Creates an exciting and challenging work environment (L)	.610
	Keeps members and staff updated with information (L)	.580
All about the people	Treats people with respect (L)	.754
	Works to establish strong relationships with the membership (L)	.662
	Actively and frequently listens to members (I)	.505
	Leads by example (L)	.475
	Comprehends and fosters the organization's culture, values, beliefs, vision and norms (C)	.432
	Maintains working relationships and good communication with all departments (I)	.400
Big picture thinking	Anticipates obstacles and develops contingency plans (C)	.708
	Translates business strategies into clear objectives and tactics (C)	.648
	Considers a broad range of factors when solving problems and making decisions (C)	.613
	Adapts creatively to changing circumstances (C)	.550
	Identifies measurable action steps that supports the club's strategy and mission (C)	.533
	Evaluates the need for, and plans and implements new market	
	and business development strategies (C)	.498
	Assists in operational and strategic planning (C)	.416
Getting the message Across	Writes in an effective manner (I)	.698
	Presents effective oral and written presentations (I)	.638
	Speaks clearly in a variety of situations (I)	.514
	Negotiates in an effective manner (I)	.512
Working through and with people	Listens to people without interrupting (I)	.703
	Gives specific, timely and constructive feedback (I)	.585
	Manages time to ensure productivity (L)	.557

Type of Competency: (L) = Leadership, (I) = Interpersonal, (C) = Conceptual; *N* = 376

EXHIBIT 4

Regression analysis results: leadership factors associated with club gross revenues

Variables		Gross Revenues (β)
Intercept		1.61***
Controls	Number of members	.48***
	Number of full time employees	.35***
Factors	Leveraging the team	.15***
	All about the people	.01
	Big picture thinking	.08
	Getting the message across	.01
	Working with and through individuals	.06S

Notes: R^2 = .51, F = 86.48**; Confidence levels: ***p < .001, **p < .01, *p < .05; N = 376

ness strategies into clear objectives and tactics,' 'Considers a broad range of factors (internal or external trends) when solving problems and making decisions,' 'Adapts creatively to changing circumstances,' 'Identifies measurable action steps that support the club's strategy and mission,' 'Evaluates the need for, and plans and implements new market and business development strategies,' and 'Assists in operational and strategic planning.'

The fourth factor, which we named 'Getting the Message Across," included four items from the interpersonal domain. Competencies included in this factor were: 'Writes in an effective manner,' 'Presents effective oral and written presentations,' 'Speaks clearly in a variety of situations,' and 'Negotiates in an effective manner.'

We named the final factor 'Working with and through Individuals.' This factor consisted of three items, two from the interpersonal domain and one from the leadership domain. The interpersonal items were: 'Listens to people without interrupting,' and 'Gives specific timely and constructive feedback,' while the leadership item was: 'Manages time to ensure productivity.'

Results of the regression, as shown in Exhibit 4, indicated that only factor one, "Leveraging the team," was associated with gross revenues in a statistically significant manner (ß = .15, $p < .001$). Overall, the five factors and two control variables were associated with over 50 percent of the variance in gross club revenues.

Differences between Leaders and Managers

To determine whether there was a significant relationship between how leaders and managers viewed the importance of the many competencies, we performed a series of t-tests, shown in Exhibit 5.

EXHIBIT 5

T-test results

Factor and Competencies within each Factor		Leader Mean (n = 376)	Manager Mean (n = 217)	t-value
All about the people	Leads by example	4.83	4.71	2.83**
	Maintains working relationships and good communications with all departments	4.75	4.65	2.04*
Big picture thinking	Assists in operational and strategic planning	4.56	4.42	2.44*
Getting the message across	Writes in an effective manner	4.41	4.23	2.89**
	Presents effective presentations	4.31	4.14	2.77**
Working with and through individuals	Manages time to ensure productivity	4.31	4.43	2.10*

Note: **p < 01, *p < .05

The t-tests revealed no significant differences between how leaders and managers rated the competencies in the 'Leveraging the team' factor, but we did find significant differences in the competencies in the remaining four factors. In the "All about the people" factor, general managers gave higher ratings to two competencies: 'Leads by example' (4.83 GM mean vs. 4.71 manager mean, $t = 2.83$, $p < .01$) and 'Maintains working relationships and good communications with all departments' (4.75 GM mean vs. 4.65 manager mean, $t = 2.04$, $p < .05$). In the "Big picture thinking" factor, general managers gave a higher rating to 'Assists in operational and strategic planning' (4.56 GM mean vs. 4.42 manager mean, $t = 2.44$, $p < .05$). Leaders saw two competencies in the "Getting the message across" factor as more important than did managers: 'Writes in an effective manner' (4.41 GM mean vs. 4.23 manager mean, $t = 2.89$, $p < .01$), and 'Presents effective presentations' (4.31 GM mean vs. 4.14 manager mean, $t = 2.77$, $p < .01$). The situation was reversed, however, for the time management competency in the "Working with and through individuals" factor, which managers thought was more important than leaders (4.31 GM mean vs. 4.43 manager mean, $t = 2.10$, $p < .05$).

Discussion

Our results revealed that certain competencies are more critical to success than others and, furthermore, that leaders have a different perspective on important competencies than do managers. Interactions with club members were rated as important for success. Three of the top six competencies were related to the members: 'Works to establish strong relationships with the membership,' 'Frequently listens directly to members,' and 'Considers membership needs when making decisions.' These competencies suggest that knowing how to interact with members—who represent the epitome of repeat clientele—is crucial to success in a club, perhaps more so than in any other type of customer-based service business. The complexity of managing the experience of long-term club members, many of whom have high expectations, implies that in this type of business, leaders must work both directly with their clients and indirectly through their staff. Thus, leading includes being able to successfully interact with the client base in a way that is likely more direct and time-intensive than other types of hospitality services. This finding also speaks to the important role leaders in these types of service organization play in understanding the value-creation process. Even more than in other service firms, clubs benefit from viewing their customers as their core competence,[27] and the leader's relationship with these customers is a distinct source of advantage.

Our findings also imply that our survey respondents at both levels understand this concept, since respondents as a group viewed managing relationships with their members as essential to their success. It is likely that members directly and routinely seek out their club's general manager to enhance their own service experience, and these managers may have had to develop skills that would serve other types of client-based business as well.[28] As these leaders draw on member feedback, they likely work to create memorable experiences for their members and use these relationships to innovate and enhance the service experience.[29]

In designing a comprehensive competency model for this leadership role, we highlight the importance of teams and people. Interacting with and listening to members' needs appeared in two factors: 'Leveraging the team' and 'All about the people.' These two factors capture the importance that leaders give to working with people. This includes working one on one with individuals, creating a high-functioning team, and shaping a values-driven organizational culture. It also includes applying the organization's strategic mission to build supporting objectives and tactics. Teamwork is particularly important, given that 'Leveraging the team' was only factor that stood out as statistically significant in association with gross revenues. This result confirms how critical working with all types of people is to one's success in leading service-based businesses.

Along with understanding people, the ability to communicate clearly is also essential. When distinguishing between how leaders versus managers view essential competencies, we note that leaders viewed skills related to communicating as more important than their managerial counterparts. The fact that competencies such as 'maintains working relationships and good communication with all departments,' 'writes in an effective manner,' and 'presents effective presentations' are all viewed statistically as more important by leaders than managers suggests that managers may not understand the value of these 'softer' skills. In fact, the two competencies from the 'Getting the message across' domain had the largest discrepancy. In addition, leaders may more clearly understand the importance of their symbolic and authentic role, since they rated 'Leads by example' higher than their managerial counterparts.

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[27] Oberg, Christina (2011). "The Core-Customer Concept," *Services Industries Journal*, 31, 2677-2692.

[28] Zomerdijk, Leonieke G. and Christopher A. Voss (2010), "Service Design for Experience-Centric Services," *Journal of Service Research*, 13, 67-82.

[29] Ostrom, Amy L., Mary Jo Bitner, Stephen W. Brown, Kevin A. Burkhard, Michael Goul, Vicki Smith-Daniels, Haluk Demirkan and Elliott Rabinovich (2010), "Moving Forward and Making a Difference: Research Priorities for the Science of Service," *Journal of Service Research*, 13, 4-36.

We find it intriguing that the one competency viewed as more important by managers than leaders was 'Manages time to ensure productivity.' This difference could reflect managers' misunderstanding that a competency important to their current success may be less salient as they take on increasing responsibilities with more strategic and member-driven responsibilities. Overall, these differences suggest that leaders recognize how critical it is to not only work with others, but to work well with them.

Managerial Implications

We see these findings as having the potential to help service organizations to develop their managers, as job descriptions and training programs could be tailored according to measurable competencies for top leadership roles. Our results highlight important leadership skills, notably being able to work collaboratively with others, whether staff or members.[30] Because the leaders in this business often spend a great deal of time working with their members, including leading board meetings, skills essential to developing strong client relationships seem paramount to any manager interested in assuming greater organizational responsibilities.

Limitations and Future Directions

A particular issue for competency models is that the competencies identified in a study at one particular time might not apply in the future.[31] With shifting customer needs and technological developments, one set of results may quickly become obsolete.[32] There can also be difficulty in agreeing on which competencies are important for various industry segments, as responsibilities within companies vary greatly. As a result, competency models can lead to a false sense of security; because individuals have mastered all the elements in a competency model does not mean they perform effectively.[33] In addition, no single competency model can capture the full set of responsibilities for leaders.[34] Overall, if competency models are not designed well or are incorrectly validated, then they can do more harm than good.[35]

One limitation of this particular study is that the data are self-reported and lack causal inferences. We obtained the perspective of those in leadership and managerial positions, but these are perceptions only. A follow-up to this work would be to examine the impact of respondents' competencies on their own success. For example, one could determine whether a relationship existed between the competencies leaders viewed as important, how often they used particular competencies, and measures of both their and their organization's performance, in ways that could establish causality. A similar analysis could also be conducted for lower-level managers. This would help demonstrate the impact of particular competencies critical as responsibilities shift.

In addition, this study provided an evaluation of competencies for one distinctive type of service business. This particular segment is unlike most other hospitality enterprises, in that success is based on meeting the needs of an involved clientele, especially one active in the governance of the business. Different competencies might be required to lead other segments of the service industry. Thus, although our findings provide insights that could be used as a model for other service businesses, they cannot be generalized.

Overall, though, our findings suggest that, building from the core-customer concept, listening and responding to the needs of a demanding, long-term clientele is a competency that could bring distinction to almost any type of service concept. This study represents a step in understanding leaders' crucial roles in shaping the ways in which employees provide a seemingly basic service, but one that because of the nature of the clients, is both multifaceted and complex.

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[30] This type of information could also benefit educators at the university level who are teaching services management. Numerous studies have documented a gap between curriculum offerings at the university level and what employers are looking for in their future talent. For example, see: Brownell, Judi and Beth G. Chung (2001), "The Management Development Program: A Competency-Based Model for Preparing Hospitality Leaders," *Journal of Management Education*, 25, 124-145; Harris, Roger, Huth Guthrie, Barry Hobert and David Lundberg (1995), *Competency-Based Education and Training: Between a Rock and a Whirlpool*. South Melbourne: MacMillian Education Australia; Lowry Lowry, Linda L. and Judy K. Flohr (2005), "No Student Left Behind: A Longitudinal Assessment of the Competency Based Framework Used to Facilitate Learning in a Capstone Tourism Course," *Journal of Hospitality and Tourism Education*, 17, 28-35; and Smith, Ginger and Chris Cooper (2000), "Competitive Approaches to Tourism and Hospitality Curriculum Design," *Journal of Travel Research*, 39, 90-95.

[31] Winterton, Jonathan and Ruth Winterton (1999), *Developing Managerial Competence*. London: Routledge

[32] Antonacopoulou, Elena P and Louise Fitzgerald (1996), "Reframing Competency in Management Development," *Human Resource Management Journal*, 6, 27-48.

[33] Garrick, John and Rod McDonald (1992), "Competence Standards for Industry Trainers: Alternative Models," *Journal of European Industrial Training*, 16, 16-20.

[34] Antonacopoulou and Fitzgerald, *op.cit.*; and Hayes, John, Alison Rose-Quirie and Christopher W. Allinson (2000), "Senior Managers' Perceptions of the Competencies They Require for Effective Performance: Implications for Training and Development," *Personnel Review*, 29, 92-101.

[35] Jirasinghe, Dilum and Geoffrey Lyons (1995), "Management Competencies in Action: A Practical Framework," *School Organisation*, 15, 27-281.

Conclusion

The purpose of this study was to introduce a competency model for club leaders, who oversee the service experiences of a long-term, repeating clientele. Our study of the club industry highlights that directing this type of service experience calls on leaders to be skilled at interacting with both their staff and their clients. This includes treating others with respect, leading by example, and listening to clients. Leaders differed from their managerial counterparts in the importance of competencies related to communicating and leading by example, as well as time management. Overall, results emphasize the complexity of managing service businesses for long-term clientele, and the criticality of understanding how to engage clients, understand their needs, and use that understanding to guide service staff to deliver a focused, customized service experience. ■

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